

ARBITRATION

If:

1. We and an **insured** do not agree:
 - a. Whether that **insured** is legally entitled to recover compensatory damages from the owner or driver of an **uninsured motor vehicle** or **underinsured motor vehicle**; or
 - b. As to the amount of such damages; and
2. That **insured** has not filed a lawsuit against us to settle the dispute;

then the **insured** may demand to settle the dispute by arbitration.

The following procedures will be used:

1. Each party will select a competent arbitrator. The two so selected will select a third.
2. If the third arbitrator is not selected within 30 days, the **insured** or we may request a judge of a court of record to name one. The court must be in the county and state in which arbitration is pending.
3. Each party will pay its chosen arbitrator. Each will pay half of all other expenses of arbitration. Fees to lawyers and expert witnesses are not considered arbitration expenses and are to be paid by the party hiring these persons.
4. Unless the **insured** and we agree otherwise, arbitration will take place in the county and state in which the **insured** lives. Arbitration will be subject to the usual rules of procedure and

evidence in such county and state. The arbitrators will resolve the issues. A written decision on which two arbitrators agree will be binding on the **insured** and us.

5. Any arbitration action against us must begin within the same time limit required by the laws of the state where the accident occurred for filing a lawsuit against the owner or operator of the **uninsured motor vehicle** or **underinsured motor vehicle** for the damages arising out of the accident. If the action is between an **insured** and the owner or operator of an **uninsured motor vehicle**, then the starting point for this time limit is the date on which the cause of action accrues against the owner or operator of the **uninsured motor vehicle** in the state where the accident occurred. If the action is between an **insured** and the owner or operator of an **underinsured motor vehicle**, then the starting point for this time limit is the later of the following:
 - a. The date we advance payment to the **insured** in an amount equal to a tentative settlement between the **insured** and the owner or operator of the **underinsured motor vehicle**; or
 - b. The date any applicable liability bonds or policies have been exhausted by payments of judgments or settlements.
6. Judgment upon award may be entered in any proper court.
7. As an alternative, the **insured** and we may agree to arbitrate by rules other than stated above.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including their equipment. Direct and accidental loss does not include any reduction in the value of any vehicle after it has been repaired, as compared to its value before it was damaged.

We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Other Than Collision Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any **your covered auto** shown in the Declarations.

Our payment will be reduced by any deductible shown in the Declarations. The deductible will not apply to a loss caused by:

1. fire or lightning.
2. smoke due to a sudden, unusual and faulty operation of any fixed heating equipment serving the premises in which the auto is stored.
3. the stranding, sinking, burning, **collision** or derailment of any conveyance in or on which the auto is being transported.

"**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

Loss caused by the following is considered other than **collision**:

1. Missiles or falling objects;
2. Fire;
3. Theft or larceny;

4. Explosion or earthquake;
5. Windstorm;
6. Hail, water or flood;
7. Malicious mischief or vandalism;
8. Riot or civil commotion;
9. Contact with bird or animal; or
10. Breakage of glass.

If loss is caused by contact with a bird or animal, or if breakage of glass is caused by **collision**, you may elect to have either loss considered to be caused by **collision**.

"Non-owned auto" means:

1. Any private passenger auto, station wagon, pickup truck, van or **trailer** not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**.
2. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

We will also pay for direct and accidental loss caused by fire or lightning to clothes or other personal effects:

1. Which are owned by you or any **family member**; and
2. Which are in or on **your covered auto**.

"Permanently installed" means installed by bolts, brackets, or welding in a location in accordance with applicable laws and regulations for the installation of such equipment or device.

TRANSPORTATION EXPENSES

In addition, we will pay, without application of a deductible, up to \$15 per day, to a maximum of \$450, for:

1. Transportation expenses incurred by you in the event of the total theft of **your covered auto**. This applies only if the Declarations indicate that Other Than Collision is provided for that auto.
2. Loss of use expenses for which you become legally responsible in the event of the total theft of a **non-owned auto**. This applies only if the Declarations indicate that Other Than Collision is provided for any **your covered auto**.

We will pay only expenses incurred during the period:

1. Beginning 48 hours after the theft; and

2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

SALVAGE CHARGES

In addition, we will pay general average and salvage charges that you or any **family member** are legally responsible for in transporting an auto.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while they are being used as a public or livery conveyance. This exclusion does not apply to a share-the-expense car pool.
2. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

3. Loss due to or as a consequence of:
 - a. radioactive contamination;
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
4. Loss to:
 - a. Any electronic equipment or device that records, emits, amplifies, receives or transmits audio, visual, or data signals, including, but not limited to:
 - (1) radios and stereos;
 - (2) tape decks;
 - (3) compact disc players or recorders;
 - (4) citizens band radios;
 - (5) telephones;
 - (6) two-way mobile radios;
 - (7) scanning monitor receivers;
 - (8) television monitor receivers;
 - (9) video cassette recorders;
 - (10) audio cassette recorders;
 - (11) personal computers; or
 - (12) digital video disc player or recorder.

This exclusion (4.b.) does not apply to such equipment that is:

- (1) necessary for the normal operation of the auto or the monitoring of the auto's operating systems; or
- (2) an integral part of the same unit housing any sound reproducing equipment described in a. and permanently installed in the opening of the dash or console of **your covered auto** or any **non-owned auto** normally used by the manufacturer for installation of a radio.

- b. tapes, records, discs, or other media used with any equipment or device described in a.;
- c. any accessories used with equipment described in a.

Exclusions 4.a. and 4.c. do not apply to:

- a. any equipment or device that is **permanently installed** by the vehicle's manufacturer; or
- b. the first \$1,000 of any equipment or device that is **permanently installed** by other than the vehicle's manufacturer;

in any **your covered auto** or a **non-owned auto**.

5. Loss to a camper body or **trailer** you own which is not shown in the Declarations. This exclusion does not apply to a camper body or **trailer** you:
 - a. acquire during the policy period; and
 - b. ask us to insure within the policy period or within 30 days after you become the owner.
6. Loss to any **non-owned auto** while used by you or any **family member** in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery.
7. Loss to any **non-owned auto** if used without the express or implied permission of the owner or other person in lawful possession of such vehicle.
8. With respect to any **trailer** shown in the Declarations, loss to:
 - a. awnings or cabanas; or

- b. equipment designed to create additional living facilities.

9. Loss to **your covered auto** or any **non-owned auto** due to forfeiture ordered by the courts or destruction or confiscation by governmental or civil authorities because you or any **family member**:

- a. engaged in illegal activities; or
- b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

10. Loss to equipment designed or used to detect or deter radar, laser or other special monitoring equipment whether or not permanently installed.

11. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in Exclusion 6. This exclusion does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.

12. Loss to any custom furnishings or equipment in or upon any **your covered auto** or **non-owned auto**, including, but not limited to:

- a. special carpeting and insulation, furniture or bars;
- b. facilities for cooking and sleeping;
- c. height extending roofs or ladders;
- d. custom windows, murals, paintings or other decals or graphics;
- e. tool boxes and fifth wheel conversions;
- f. side exhausts and headers;
- g. winches and roll bars;
- h. special wheels/tires; or
- i. body or suspension alterations.

However, this exclusion (12.):

- a. does not apply to the first \$1,000 of any such custom furnishings or equipment; and
- b. does not apply to a camper body shown in the Declarations, or a cap, cover or bedliner in or upon any pickup truck you own.

13. Loss to, or loss of use of, a **non-owned auto** rented by:

- a. you; or
- b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

LIMIT OF LIABILITY

Our limit of liability will be the lesser of the:

1. Actual cash value of the stolen or damaged property; or
2. Amount necessary to repair or replace the property with other property of like kind and quality.

This amount does not include any reduction in the value of the property after it has been repaired, as compared to its value before it was damaged.

Subject to the above, our limit of liability for loss to:

1. Personal effects is \$100; and
2. A **trailer** not owned by you is \$1,500.

An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

PAYMENT OF LOSS

We may pay for the loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy. If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value. **IN THE REPAIR OF YOUR COVERED AUTO UNDER THE PHYSICAL DAMAGE COVERAGE PROVISIONS OF THIS POLICY, WE MAY REQUIRE OR SPECIFY THE USE OF AUTOMOBILE PARTS NOT MADE BY THE ORIGINAL MANUFACTURER. THESE PARTS ARE REQUIRED TO BE AT LEAST EQUAL IN TERMS OF FIT, QUALITY, PERFORMANCE AND WARRANTY TO THE ORIGINAL MANUFACTURER PARTS THEY REPLACE.**

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER INSURANCE

If other insurance also covers the loss we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with

respect to a **non-owned auto** shall be excess over any other collectible insurance.

APPRAISAL

If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

We do not waive any of our rights under this policy by agreeing to an appraisal.

LOSS PAYEE

If a Loss Payee is shown in the Declarations, then any Collision Coverage or Other Than Collision Coverage provided by this policy applies to the Loss Payee's interest in **your covered auto**. If Collision Coverage or Other Than Collision Coverage is canceled or nonrenewed, we will provide coverage for the Loss Payee's interest until 10 days after the date we mail or electronically transmit a notice of the cancellation or nonrenewal to the Loss Payee. Any coverage for the Loss Payee's interest shall terminate on the earlier of the expiration of this 10 day period or the effective date of a policy or insurance binder for similar coverage for the Loss Payee's interest issued by another insurance carrier. Except for any continuation of coverage for the Loss Payee's interest that may be provided under this paragraph in connection with the Loss Payee's right to notice of cancellation or nonrenewal, this coverage for the Loss Payee's interest is only provided for a loss that would otherwise be payable to you.

Notwithstanding any other provisions of this policy, including but not limited to any continuation of coverage for the Loss Payee's interest as set forth above, if Collision Coverage for Other Than Collision Coverage is rescinded, the Loss Payee's interest will not be protected and the Loss Payee shall have no rights greater than your rights to recover for a loss.

If we pay you or the Loss Payee, then we are entitled to your and the Loss Payee's rights of recovery to the extent of our payment. Our right of recovery does not impair the Loss Payee's right to recover the full amount of its claim from you.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS — FILING A CLAIM

GENERAL DUTIES

We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.

A person seeking any coverage must:

1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams;
 - b. to examination under oath and subscribe the same.
4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
5. Submit a proof of loss when required by us.

ADDITIONAL DUTIES FOR UNINSURED AND COMBINED UNINSURED/UNDERINSURED MOTORISTS COVERAGE

A person seeking Uninsured or Combined Uninsured/Underinsured Motorists Coverage must also:

1. Promptly notify the police if a hit-and-run driver is involved.
2. Promptly send us copies of the legal papers if a suit is brought. A suit may not be brought by an **insured** until 60 days after that person notifies us of their belief that the prospective defendant is an uninsured motorist.

Any person who intends to pursue recovery against the owner or operator of an **underinsured motor vehicle** for damages beyond those paid or payable under this policy shall give us:

1. Notice of such intent; and
2. The opportunity to participate, at our expense, in the prosecution of such claim.

ADDITIONAL DUTIES FOR DAMAGE TO YOUR AUTO

A person seeking Coverage For Damage To Your Auto must also:

1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and their equipment from further loss. We will pay reasonable expenses incurred to do this.
2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

The premium for each of **your covered autos** is based on information we have received from you or other sources. You agree:

1. That if any of this information material to the development of the policy premium is incorrect, incomplete or changed, we may adjust the premium accordingly during the policy period.
2. To cooperate with us in determining if this information is correct and complete, and to advise us of any changes in this information.

Any adjustment of your premium will be made using the rules in effect at the time of the change.

Premium adjustment may be made as the result of a change in:

1. Autos insured by the policy, including changes in use.
2. Drivers.
3. Coverages or coverage limits.
4. Rating territory.
5. Eligibility for discounts or other premium credits.

We may revise your policy coverages to provide more protection without additional premium charge. If we do this and you have the coverage which is changed, your policy will automatically provide the additional coverage as of the date the revision is effective in North Carolina. Otherwise, this policy contains all of the coverage agreements between you and us. Its terms may not be changed or waived except by an endorsement issued by us.

FRAUD OR MATERIAL MISREPRESENTATION

We do not provide coverage for any **insured**:

1. Who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy; or
2. If a named insured made a material misrepresentation in the application for this policy of insurance.

This provision applies to Part **A** — Liability Coverage to the extent that the limits of liability exceed the minimum limits required by the Financial Responsibility Law of North Carolina. If we make payment under Part **A** — Liability Coverage which we would not have otherwise made in the absence of the preceding sentence, then we shall have the right to recover such payment from any **insured** who made a fraudulent statement, engaged in fraudulent conduct, or made a material misrepresentation.

LEGAL ACTION AGAINST US

No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part **A**, no legal action may be brought against us until:

1. We agree in writing that the **insured** has an obligation to pay; or
2. The amount of that obligation has been finally determined by judgment after trial.

No person or organization has any right under this policy to bring us into any action to determine the liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A.** If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

However, our rights in this paragraph do not apply under:

1. Part **B**;
 2. Parts **C1** and **C2**, as those parts contain separate provisions which state our right to recover payment under those Parts;
 3. Part **D**, against any person using **your covered auto** with a reasonable belief that that person is entitled to do so.
- B.** If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and

2. Reimburse us to the extent of our payment.

However, our rights in this paragraph do not apply to Part **B**.

POLICY PERIOD AND TERRITORY

This policy applies only to accidents and losses which occur:

1. During the policy period as shown in the Declarations; and
2. Within the policy territory.

The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico;
3. Canada;

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

TERMINATION — CANCELLATION, NONRENEWAL, AUTOMATIC TERMINATION, OTHER TERMINATION PROVISIONS

Cancellation. This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.
2. We may cancel the Liability, Medical Payments and Uninsured Motorists or Combined Uninsured/Underinsured Motorists Coverages by mailing by first-class mail to the named insured shown in the Declarations at the last known address:
 - a. at least 15 days notice if cancellation is for nonpayment of premium;
 - b. at least 60 days notice in all other cases.
3. We may cancel any coverage other than Liability, Medical Payments and Uninsured Motorists or Combined Uninsured/Underinsured Motorists Coverages by mailing to the named insured shown in the Declarations at the last known address 10 days notice.
4. We will cancel the Liability, Medical Payments and Uninsured Motorists or Combined Uninsured/Underinsured Motorists Coverages only for the following reasons:
 - a. Nonpayment of premiums.

- b. You become a nonresident of North Carolina and are not otherwise entitled to insurance through the Reinsurance Facility on submission of new application.
 - c. The termination of our contract with the agent through whom this policy was written. This does not apply if we terminate the contract because of the quality of the agent's **insureds**.
 - d. The cancellation of this policy pursuant to a power of attorney given to a company licensed pursuant to the provisions of G.S. 58-35-5.
 - e. You fail, at time of renewal, to meet the requirements of our corporate charter, articles of incorporation or by-laws, if we are organized for the sole purpose of providing members with insurance policies in North Carolina.
 - f. If you knowingly make a material misrepresentation of:
 - a. the years of driving experience; or
 - b. the driving record of;

you or any other driver who lives with you and customarily uses **your covered auto**.
 - g. The named insured is no longer an eligible risk under G.S. 58-37-1.
 - h. Any other reason permitted by the North Carolina General Statutes.
- c. modifies any of the stated termination reasons; or
 - d. adds any additional termination reasons;

we will comply with those requirements and this policy shall be deemed amended to include any such change in the law.
2. Proof of mailing of any notice shall be sufficient proof of notice.
 3. If the named insured or a premium finance company cancels this policy, the premium owed or premium refund due will be calculated according to the short rate provisions contained in our manuals. If we cancel this policy, any premium owed or premium refund will be calculated on a pro rata basis. However, making or offering to make the refund is not a condition of cancellation.
 4. The effective date of cancellation stated in the notice shall become the end of the policy period.

AUTO REPAIRS

We shall not recommend the use of a particular motor vehicle repair service without clearly informing the claimant that:

- (i) the claimant is under no obligation to use the recommended repair service;
- (ii) the claimant may use the repair service of the claimant's choice; and
- (iii) the amount determined by us to be payable under the policy will be paid regardless of whether or not the claimant uses the recommended repair service.

TRANSFER OF YOUR INTEREST IN THIS POLICY

Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations;
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**; and
3. Any person having proper temporary custody of **your covered auto**, as an **insured**, until the appointment of a legal representative.

Coverage will only be provided until the end of the policy period.

CHOICE OF LAW

This policy is issued in accordance with the laws of North Carolina and covers property or risks principally

Nonrenewal. If we decide not to renew or continue the Liability, Medical Payments or Uninsured Motorists or Combined Uninsured/Underinsured Motorists Coverages of this policy we will mail notice to the named insured shown in the Declarations at the last known address. Notice will be mailed at least 60 days before the end of the policy period. If we decide not to renew or continue any other coverage, we will mail the notice at least 10 days before the end of the policy period. We will refuse to renew or continue this policy only as permitted by the laws of North Carolina.

Automatic Termination. If we offer to renew or continue and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

Other Termination Provisions

1. If the law in effect in North Carolina at the time this policy is issued, renewed or continued:
 - a. requires a longer notice period;
 - b. requires a special form of or procedure for giving notice;

located in North Carolina. Any and all claims or disputes in any way related to this policy shall be governed by the laws of North Carolina.

SPOUSE ACCESS

The named insured and we agree that the named insured and resident spouse are **customers** for

purposes of state and federal privacy laws. The resident spouse will have access to the same information available to the named insured.

The named insured may notify us that he/she no longer agrees that the resident spouse shall be treated as a **customer** for purposes of state and federal privacy laws, and we will not permit the resident spouse to access policy information.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS. (NC 03 02 (Ed. 1-99))

EXTENDED TRANSPORTATION EXPENSES COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this endorsement except as changed by this endorsement.

A. EXTENDED TRANSPORTATION EXPENSES COVERAGE

When there is a loss to a **your covered auto** described in the Declarations for which a specific premium charge indicates that Extended Transportation Expenses Coverage is afforded, or to a **non-owned auto**, we will pay, without application of a deductible, up to \$15 per day to a maximum of \$450 for:

1. Transportation expenses incurred by you;
2. Loss of use expenses for which you become legally responsible in the event of loss to a **non-owned auto**.

This coverage applies only if:

1. **Your covered auto** or the **non-owned auto** is withdrawn from use for more than 24 hours; and
2. The loss is caused by **collision** or is otherwise covered under Part D of this policy.

However, this coverage does not apply when there is a total theft of **your covered auto** or a **non-owned auto**. Such coverage is provided under Part D of this policy.

Our payment will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

B. INCREASED LIMITS TRANSPORTATION EXPENSES COVERAGE

When there is a loss to **your covered auto** described in the Declarations for which a specific premium charge indicates that Increased Limits

Transportation Expenses Coverage is afforded, or to a **non-owned auto**:

1. **Coverage for Extended Transportation Expenses Coverage** provided under this endorsement is increased to \$30 per day up to a maximum of \$900. All other provisions of Extended Transportation Expenses Coverage apply.
2. **Coverage for Transportation Expenses Coverage** provided under Part D of this policy is increased to \$30 per day up to a maximum of \$900.

C. ADDITIONAL INCREASED LIMITS TRANSPORTATION EXPENSES COVERAGE

When there is a loss to a **your covered auto** described in the Declarations for which a specific premium charge indicates that Additional Increased Limits Transportation Expenses Coverage is afforded, or to a **non-owned auto**:

1. Coverage for Extended Transportation Expenses Coverage provided under this endorsement is increased to \$50 per day up to a maximum of \$1500. All other provisions of Extended Transportation Expenses Coverage apply.
2. Coverage for Transportation Expenses Coverage provided under Part D of this policy is increased to \$50 per day up to a maximum of \$1,500.

TOWING AND LABOR COSTS COVERAGE

We will pay towing and labor costs incurred each time **your covered auto** or any **non-owned auto** is disabled or keys are lost, broken or accidentally locked in the auto, up to the amount shown in the Declarations as applicable to that vehicle. If a **non-owned auto** is disabled, we will provide the broadest towing and labor costs coverage applicable to any **your covered auto** shown in the Declarations. We will only pay for labor performed at the place of disablement.



COLORADO PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF AMERICA
Home Office: Safeco Plaza, Seattle, Washington 98185-0001

SAFECO INSURANCE COMPANY OF ILLINOIS
Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195

(Each a stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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ADDITIONAL COVERAGES

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[illegible]

SA-1852/COEP 4/08

AGREEMENT

In return for your payment of all premiums, and in reliance upon the statements in the application we agree to insure you subject to the terms, conditions and limitations of this policy. We will insure you for the coverages and limits shown on the Declarations. Your policy consists of the policy contract, Declarations and endorsements applicable to the policy.

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations;
 2. The spouse if a resident of the same household;
 3. The civil partner, if a resident of the same household, by civil union licensed and certified by the state; or
 4. The **domestic partner**, if a resident of the same household;
"Domestic partner" means a person living as a continuing partner with you and:
 - (a) is at least 18 years of age and competent to contract;
 - (b) is not a relative; and
 - (c) shares with you the responsibility for each other's welfare, evidence of which includes:
 - (1) the sharing in domestic responsibilities for the maintenance of the household; or
 - (2) having joint financial obligations, resources, or assets; or
 - (3) one with whom you have made a declaration of domestic partnership or similar declaration with an employer or government entity.**Domestic partner** does not include more than one person, a roommate whether sharing expenses equally or not, or one who pays rent to the named insured.
- B.** "We," "us" and "our" refer to the Company, as shown on the Declarations providing this insurance.
- C.** For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D.** Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Colorado law to be provided under a policy of automobile liability insurance:
1. \$25,000 for each person, subject to \$50,000 for each accident, with respect to **bodily injury**;
 2. \$15,000 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E.** "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F.** "**Business**" includes trade, profession or occupation.
- G.** "**Family member**" means a person related to you by blood, marriage, civil union, domestic partnership or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H.** "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I.** "**Occupying**" means in; upon; or getting in, on, out or off.
- J.** "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K.** "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L.** "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or

2. Pickup, van or motorhome.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in L.1. or L.2. above.

M. "Your covered auto" means:

1. Any vehicle shown in the Declarations.

2. a. Any newly acquired vehicle, whether operational or not, on the date you become the owner, subject to conditions for **Newly Acquired Replacement Vehicle** and **Newly Acquired Additional Vehicle** under M.2.b. below. Any newly acquired vehicle must be of the following types:

(1) a private passenger auto;

(2) a pickup or van that:

(a) has a Gross Vehicle Weight Rating of 12,000 lbs or less; and

(b) is not used for the delivery or transportation of goods and materials unless such use is:

i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or

ii. for farming or ranching; or

(3) a motorhome or **trailer**.

b. A newly acquired vehicle is subject to the following conditions:

(1) **Newly Acquired Replacement Vehicle**. If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced, other than Part D — Coverage for Damage to Your Auto. This provision applies only if there is no other insurance policy that provides coverage for that replacement vehicle.

Part D — Coverage for Damage to Your Auto shall apply for the first thirty (30) days after you

acquire the vehicle, including the date of acquisition, only to the extent Part D — Coverage for Damage to Your Auto applied to the vehicle being replaced. You must notify us within thirty (30) days after you acquire the replacement vehicle for Part D — Coverage for Damage to Your Auto to continue.

(2) **Newly Acquired Additional Vehicle**. For any newly acquired vehicle that is in addition to any shown in the Declarations coverage shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition. Coverage shall be the broadest coverage we provide for any vehicle shown in the Declarations. This coverage applies only if:

(a) you acquire the additional vehicle during the policy period shown on the Declarations; and

(b) there is no other insurance policy that provides coverage for the additional vehicle.

If you wish to add or continue coverage you must ask us to insure the additional vehicle within thirty (30) days after you acquire the additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

3. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

a. breakdown;

b. repair;

c. servicing;

d. loss; or

e. destruction.

This provision (M.3.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.
- B. “**Insured**” as used in this Part means:
1. You or any **family member** for the ownership, maintenance or use of any auto or trailer.
 2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
 3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under **B.1.** and **B.2.** above.
 4. For any auto or trailer, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or trailer.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
 2. We accept the defense or agree to the judgment.
 3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
 4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
 5. If we appeal the judgment, we will pay interest on the entire judgment.
6. Post-judgment interest is in addition to the applicable limit of liability.
 7. Where we are required to cover prejudgment interest, it shall be included in the limit of liability and is not an additional amount of insurance.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$100 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.

EXCLUSIONS

- A. We do not provide Liability Coverage for:
1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a different person or persons than expected or intended.
 2. **Property damage** to property owned or being transported by any **insured**.
 3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.
 This exclusion (**A.3.**) does not apply to **property damage** to a residence or private garage.
 4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (**A.4.**) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.

5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. Any **insured** using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
7. a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.
 - b. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**; or
 - (3) any partner, agent or employee of you or any **family member**.
8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in exclusions A.6. or A.7. This exclusion (A.8.) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in A.8.a. or A.8.b. above.
9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
10. a. **Bodily injury or property damage** for which any **insured**:
 - (1) is an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
 b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
11. **Punitive or exemplary damages** awarded against any **insured**.
12. **Bodily injury** to you or any **family member**.
13. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.
14. **Bodily injury or property damage** arising out of a criminal act or omission of the **insured**. This exclusion applies regardless of whether that **insured** is actually charged with, or convicted of, a crime. However, this exclusion (14.) does not apply to traffic violations.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
 1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
 - b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or

- (2) to any **trailer**.
2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
 3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
 - b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.
 4. Any vehicle while it is:
 - a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

LIMIT OF LIABILITY

- A. If the Declarations indicates "per person"/ "per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each

accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto accident.
- B. If the Declarations indicate **Combined Single Limit** applies, Paragraph A. above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto accident.
- We will apply the limit of liability to provide any separate **minimum limits** required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.
- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.
 - D. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
 1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle

in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.

- B.** No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. The **insured** must reimburse us if we make a payment that we would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is other applicable liability insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A.** We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B.** “**Insured**” as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian or bicyclist when struck by;

a **motor vehicle** designed for use mainly on public roads or a **trailer** of any type.

2. Any other person while **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C.** “**Usual and customary charges**” as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

1. Licensed, certified or registered health care professionals;
2. Medical examinations;
3. Medical file reviews;
4. Medical bill review services; or
5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation.

This exclusion does not apply to delivery that is incidental to an **insured's business**.

4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member** or other person who resides with you; or
 - b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (7.) does not apply to you.

8. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.
9. Sustained while **occupying** a vehicle when it is being used in the **business** of an **insured**. This exclusion (9.) does not apply to **bodily injury** sustained while **occupying** a:
 - a. private passenger auto;
 - b. pickup, van or motorhome that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
10. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
11. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or

c. radioactive contamination.

12. Sustained while **occupying** any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
13. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been

exhausted, then such policies will continue to pay in accordance with Paragraph a.

- (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

ASSIGNMENT OF PAYMENTS OF COVERED EXPENSES

- A. An **insured** may assign, in writing, payments of expenses for services provided to the **insured** that are covered under Part B of this policy to:

1. A licensed hospital or other licensed health care provider as defined in COLO. REV. STAT. SECTION 10-4-902(3);
2. An occupational therapist as described in COLO. REV. STAT. SECTION 6-1-707(1)(c); or
3. A massage therapist.

- B. If an **insured** assigns such payments, we will pay expenses for service covered under Part B directly to the licensed hospital or other licensed health care provider, occupational therapist or massage therapist described in paragraph B.1.

PART C — UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by that **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay damages under this coverage caused by an accident with an **underinsured motor vehicle** only if 1. or 2. below applies:

1. The limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an **insured** and the insurer of the **underinsured motor vehicle** and we:
 - a. have been given prompt written notice of such tentative settlement; and
 - b. advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying** or using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in B.1. or B.2. above.

- C. "**Underinsured motor vehicle**" means a land motor vehicle, the ownership, maintenance or use of which is insured or bonded for **bodily injury** at the time of the accident, but the amount paid for **bodily injury** under such insurance or bonds is not enough to pay the full amount the **insured** is legally entitled to recover as damages.

However, "**underinsured motor vehicle**" does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**;
2. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part A of this policy applies and Liability Coverage is excluded for damages sustained in an accident.
3. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
4. Owned by any governmental unit or agency.
5. Operated on rails or crawler treads.
6. Designed mainly for use off public roads while not upon public roads.
7. While located for use as a residence or premises.

- D. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the **minimum limits** for bodily injury liability.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and

which hits or which causes an accident resulting in **bodily injury** without hitting

- a. you or any **family member**;
- b. a vehicle which you or any **family member** are **occupying**; or
- c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. We will only accept clear and convincing evidence which must consist of more than **insured's** testimony.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part A of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained by any **insured**:
 1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent.
 2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (B.2.) does not apply to a share-the-expense car pool.
 3. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.

4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.

5. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

- C. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles shown in the Declarations; or
4. Vehicles involved in the accident.

The limit of liability for two or more motor vehicles or two or more policies issued to you by us shall not be added together, combined, or stacked to determine the limit of insurance coverage available to the injured persons unless there is a premium for Uninsured/Underinsured Motorists Coverage shown on each policy.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part B of this policy.
- C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- D. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
 - 1. Workers' compensation law; or
 - 2. Disability benefits or occupational disease laws.
- E. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OTHER INSURANCE

- A. If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:
 - 1. Any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for **your covered auto**, shall be excess over any collectible insurance.
 - 2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies

will continue to pay in accordance with Paragraph a.

- (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

- B. Underinsured Motorists Coverage shall be excess over all bodily injury liability bonds or policies applicable at the time of the accident.

ARBITRATION

- A. If we and an **insured** do not agree:
 - 1. Whether that **insured** is legally entitled to recover damages; or
 - 2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

ADDITIONAL DUTIES

A person seeking Underinsured Motorists Coverage must also promptly:

- 1. Send us copies of the legal papers if a suit is brought; and
- 2. Notify us in writing of a tentative settlement between the **insured** and the insurer of the **underinsured motor vehicle** and allow us 30 days to advance payment to that **insured** in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such **underinsured motor vehicle**.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this Part of the policy. If loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply.

In the event of a **collision** with another vehicle insured by a Safeco insurance company, other than a vehicle described as **your covered auto** or **non-owned auto**, no deductible will apply.

- B. “**Collision**” means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

“**Comprehensive**” means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

- C. 1. “**Non-owned auto**” means:

- a. Any private passenger auto, pickup, van (other than a cargo van) or **trailer** with a Gross Vehicle Weight Rating of 12,000 pounds or less or any cargo van or moving van with a Gross Vehicle Weight Rating of 18,000 pounds or less, not owned by or furnished or available for the regular

use of you or any **family member** while in the custody of or being operated by you or any **family member**; or

- b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:

- (1) breakdown;
- (2) repair;
- (3) servicing;
- (4) loss; or
- (5) destruction.

2. “**Non-owned auto**” does not include any vehicle which has been operated or rented by or in the possession of an **insured** for 30 or more consecutive days. This does not apply to a temporary substitute vehicle authorized by us.

- D. “**Camper body**” means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

- E. “**Diminution in value**” means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

- A. Subject to the limitations described in paragraphs B. and C. below, we will pay:

1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto** or a **non-owned auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto. We will pay only expenses incurred during the period:

- a. beginning 48 hours after the theft; and
- b. ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay only expenses beginning when the **non-owned auto** is withdrawn from use for more than 24 hours. We will pay for indirect loss expenses if the loss is caused by:

- a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.

- b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.
- B. For the expenses described in paragraphs A.1. and A.2. we will pay the greater of the following, without application of a deductible:
 - 1. Up to \$25 per day, to a maximum of \$750; or
 - 2. The limit for Loss of Use, if any, shown in the Declarations.
- C. Our payment for the expenses described in paragraphs A.1. and A.2. will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

- 1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
- 2. Loss to **your covered auto** or any **non-owned auto** while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
- 3. Damage or loss due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.
- 4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

 - a. moisture, condensation, humidity, or vapor;
 - b. water intrusion around or through panels, surfaces and seals; or
 - c. water that collects in spaces or ventilation systems; or
 - d. **fungi**, dry rot or bacteria; resulting from neglect.
- 5. Loss due to or as a consequence of:
 - a. discharge of any nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
- 6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
- 7. Loss to:
 - a. any electronic equipment designed for the production or reproduction of sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.
 - b. This exclusion (7.) does not apply to:
 - (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:
 - (a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or
 - (b) the electronic equipment is:
 - i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
 - ii. designed to be solely operated by use of the power from the auto's electrical system; and
 - iii. in or upon **your covered auto** or any **non-owned auto**; at the time of loss.
 - (c) any equipment installed through our Teensurance (TM) program.

However, we will pay only up to a total of \$1,000 or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for all such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.

(2) any other electronic equipment that is:

- (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
- (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.

8. Loss to:

- a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
- b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).

9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:

- a. engaged in illegal activities; or
- b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.

10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:

- a. acquire during the policy period; and
- b. ask us to insure within 30 days after you become the owner.

11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession,

or using a vehicle beyond the scope of the permission granted.

12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.

13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and 13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.

15. Loss to **your covered auto** or any **non-owned auto** while it is:

- a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
- b. participating in a high performance driving or racing instruction course or school; or
- c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

16. Loss to, or loss of use of, a **non-owned auto** rented by:

- a. you; or
- b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual, alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.
18. Loss to **your covered auto**, **non-owned auto**, or **trailer**, for **diminution in value**.
19. Loss in excess of \$1,000 per claim or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:
 - a. custom murals, paintings or other decals or graphics;
 - b. custom wheels, tachometers, pressure and temperature gauges;
 - c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and lift kits, winches, utility boxes, and tool boxes; or
 - d. non-standard paint.

This exclusion does not apply to equipment installed to make a vehicle handicap accessible.
20. Loss arising out of the use of **your covered auto** while leased or rented to others.
21. Loss to **your covered auto** or a **non-owned auto** caused by an intentional act by you or a **family member**, or at the direction of you or a **family member**.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:
 1. The actual cash value of the stolen or damaged property;
 2.
 - a. The amount necessary to repair or replace the property;
 - b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts

furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us; or

3. The limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.

- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

- A.** If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B.** We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A.** We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B.** A person seeking any coverage must:
1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
- 5.** Submit a proof of loss, under oath if requested, when required by us.
- C.** A person seeking Uninsured/Underinsured Motorists Coverage must also:
1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D.** A person seeking Coverage for Damage to Your Auto must also:
1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A.** This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B.** The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C.** The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.
- This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- B. The premium for your policy is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If this information is incorrect, incomplete, or changes, we may adjust your premium during the policy term or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that may result in a premium increase or decrease during the policy term include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles.
2. Operators using insured vehicles, including newly licensed **family member** drivers and any household members that have licenses.
3. The location where your vehicle is principally garaged.
4. Customized equipment or parts.

You also agree to disclose all licensed drivers residing in your household.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
1. A subsequent edition of your policy; or
 2. An Amendatory Endorsement.
- D. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this

policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, at the time application was made or any time during the policy period.

We may void this policy or deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy or deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
1. We agree in writing that the **insured** has a legal obligation to pay damages; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the legal liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:
1. Do whatever is necessary to enable us to exercise our rights; and
 2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

With respect to Uninsured/Underinsured Motorists Coverage and Property Damage Uninsured Motorists Coverage, we shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

C. 1. Our rights do not apply under paragraph A. with respect to Underinsured Motorists Coverage if:

- a. We have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and
- b. We fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

2. If we advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification:

- a. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We also have a right to recover the advanced payment.

TERMINATION

A. Cancellation. This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 10 days notice:
 - (1) if cancellation is for nonpayment of premium; or

(2) if this policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal policy; or

b. at least 30 days notice in all other cases.

3. After this policy is in effect for 60 days, or more, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium; or
- b. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked. This must have occurred:

- (1) during the policy period; or
- (2) since the last anniversary of the original effective date if the policy period is other than 1 year.

c. if you knowingly made a false statement on the application for this policy.

B. Nonrenewal. If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period.

C. Automatic Termination. If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

Coverage for **your covered auto** shall automatically terminate on the effective date of any other motor vehicle insurance policy covering that vehicle.

D. Other Termination Provisions.

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals.

However, making or offering to make the refund is not a condition of cancellation.

3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
1. The surviving spouse, civil partner or domestic partner if resident in the same household at the time of death. Coverage applies to the spouse, civil partner or domestic partner as if a named insured shown in the Declarations; and
 2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.
- B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. The limit of liability for two or more motor vehicles or two or more policies issued to you by us shall not be added together, combined, or stacked to determine the limit of insurance coverage available to the injured persons unless there is a premium for Uninsured/Underinsured Motorists Coverage shown on each policy.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after cancellation notice is received by the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will not be protected.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a **motor vehicle** being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE**INSURING AGREEMENT**

- A. We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.
- B. **Property damage** as used under this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:
1. Loss of use of **your covered auto**; or

2. Damage to property owned by you while contained in **your covered auto**.

- C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident, but its limit for property damage liability is less than the **minimum limit** for property damage liability specified by the Colorado financial responsibility law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits **your covered auto**.

4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:

- a. denies coverage; or
- b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. To any **motor vehicle** owned by you which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
2. If you or your legal representative settles the **property damage** claim without our consent.
3. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.3.) does not apply to a share-the expense car pool.
4. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
5. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
6. To any **motor vehicle** owned by you for which you have purchased Collision Coverage under this policy or any other policy.
7. While using any vehicle while it is:

- a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
- b. participating in a high performance driving or racing instruction course or school; or
- c. preparing for, practicing for, used in or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

- B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.

- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:

1. The actual cash value of **your covered auto**;
2. a. The amount necessary to repair or replace the property;
- b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us.

This is the most we will pay, regardless of the number of:

1. Claims made;
2. Vehicles or premiums shown in the Declarations; or
3. Vehicles involved in the accident.

- C. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of **your covered auto** at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of the any betterment.
- D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- E. Any amounts otherwise payable for damages under this coverage shall be reduced by the amount of the deductible applicable to **your covered auto**, if any, indicated in the Declarations for this coverage.

OTHER INSURANCE

If there is other applicable similar insurance available any insurance we provide shall be excess over any other applicable similar insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible similar insurance.

ARBITRATION

- A. If we and an **insured** do not agree:
 - 1. Whether that **insured** is legally entitled to recover damages under this coverage; or
 - 2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this coverage may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.
- B. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which you live. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

- 1. Whether you are legally entitled to recover damages; and
- 2. The amount of damages.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

- 1. Promptly notify the police if a hit-and-run driver is involved.
- 2. Promptly send us copies of the legal papers if a suit is brought.

TOWING AND LABOR COSTS COVERAGE

- A. We will pay reasonable expenses incurred each time **your covered auto** or a **non-owned auto** is disabled, for:
 - 1. Towing to the nearest place where necessary repairs can be made during regular **business** hours;
 - 2. Towing to dislodge the vehicle from its place of disablement if on or next to a public street or highway;
 - 3. Mechanical labor up to one hour at the place of its breakdown, including change of tire;
 - 4. Delivery of gasoline, oil or loaned battery. We do not pay the cost of these items.
- B. We will pay for key lock-out services and labor costs incurred at the location of **your covered auto** or **non-owned auto**, but not exceeding \$50 for services provided.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

- 1. The vehicle is withdrawn from use for more than 24 hours;
- 2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
- 3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle.

We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.



COLORADO PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF AMERICA
Home Office: Safeco Plaza, Seattle, Washington 98185-0001
(A stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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ADDITIONAL COVERAGES

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Property Damage Uninsured Motorists Coverage

Roadside Assistance Coverage

Loss of Use Coverage

Full Safety Glass Coverage

[illegible]

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AGREEMENT

In return for your payment of all premiums, and in reliance upon the statements in the application we agree to insure you subject to the terms, conditions and limitations of this policy. We will insure you for the coverages and limits shown on the Declarations. Your policy consists of the policy contract, Declarations and endorsements applicable to the policy.

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations;
 2. The spouse if a resident of the same household;
 3. The civil partner, if a resident of the same household, by civil union licensed and certified by the state; or
 4. The **domestic partner**, if a resident of the same household;
- "Domestic partner"** means a person living as a continuing partner with you and:
- (a) is at least 18 years of age and competent to contract;
 - (b) is not a relative; and
 - (c) shares with you the responsibility for each other's welfare, evidence of which includes:
 - (1) the sharing in domestic responsibilities for the maintenance of the household; or
 - (2) having joint financial obligations, resources, or assets; or
 - (3) one with whom you have made a declaration of domestic partnership or similar declaration with an employer or government entity.
- Domestic partner** does not include more than one person, a roommate whether sharing expenses equally or not, or one who pays rent to the named insured.
- B.** "We," "us" and "our" refer to the Company, as shown on the Declarations providing this insurance.
- C.** For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D.** Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Colorado law to be provided under a policy of automobile liability insurance:
1. \$25,000 for each person, subject to \$50,000 for each accident, with respect to **bodily injury**;
 2. \$15,000 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E.** "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F.** "**Business**" includes trade, profession or occupation.
- G.** "**Family member**" means a person related to you by blood, marriage, civil union, domestic partnership or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H.** "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I.** "**Occupying**" means in; upon; or getting in, on, out or off.
- J.** "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K.** "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L.** "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, van or motorhome.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in L.1. or L.2. above.

M. "Your covered auto" means:

1. Any vehicle shown in the Declarations.
2. a. Any newly acquired vehicle, whether operational or not, on the date you become the owner, subject to conditions for **Newly Acquired Replacement Vehicle** and **Newly Acquired Additional Vehicle** under **M.2.b.** below. Any newly acquired vehicle must be of the following types:
 - (1) a private passenger auto;
 - (2) a pickup or van that:
 - (a) has a Gross Vehicle Weight Rating of 12,000 lbs or less; and
 - (b) is not used for the delivery or transportation of goods and materials unless such use is:
 - i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
 - ii. for farming or ranching; or
 - (3) a motorhome or **trailer**.
- b. A newly acquired vehicle is subject to the following conditions:
 - (1) **Newly Acquired Replacement Vehicle.** If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced, other than Part **D** — Coverage for Damage to Your Auto. This provision applies only if there is no other insurance policy that provides coverage for that replacement vehicle.

 Part **D** — Coverage for Damage to Your Auto shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition, only to the extent Part **D** — Coverage for Damage to Your Auto applied to the vehicle being replaced. You must notify us within thirty (30) days after you acquire the replacement vehicle for Part **D**

— Coverage for Damage to Your Auto to continue.

- (2) **Newly Acquired Additional Vehicle.** For any newly acquired vehicle that is in addition to any shown in the Declarations coverage shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition. Coverage shall be the broadest coverage we provide for any vehicle shown in the Declarations. This coverage applies only if:
 - (a) you acquire the additional vehicle during the policy period shown on the Declarations; and
 - (b) there is no other insurance policy that provides coverage for the additional vehicle.

If you wish to add or continue coverage you must ask us to insure the additional vehicle within thirty (30) days after you acquire the additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

- (3) Collision Coverage for a newly acquired vehicle begins on the date that you acquire the vehicle. However, if the Declarations does not indicate that Collision Coverage applies to at least one vehicle, you must ask us to insure the newly acquired vehicle within four (4) days after you acquire it. If a loss occurs during the four (4) days after you acquire the vehicle but before you asked us to insure the newly acquired vehicle, a \$500 collision deductible will apply.
- (4) Comprehensive Coverage for a newly acquired vehicle begins on the date that you acquire the vehicle. However, if the Declarations does not indicate that Comprehensive Coverage applies to at least one vehicle, you must ask us to insure the newly acquired vehicle within four (4) days after you acquire it. If a loss occurs during the four (4) days after you acquire the vehicle but before you asked us to insure the newly acquired

vehicle, a \$500 comprehensive deductible will apply.

3. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. breakdown;

- b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

This provision (**M.3.**) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

B. “**Insured**” as used in this Part means:

1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under **B.1.** and **B.2.** above.
4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or **trailer**.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
2. We accept the defense or agree to the judgment.

3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
5. If we appeal the judgment, we will pay interest on the entire judgment.
6. Post-judgment interest is in addition to the applicable limit of liability.
7. Where we are required to cover prejudgment interest, it shall be included in the limit of liability and is not an additional amount of insurance.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$1,000 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$250 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.
5. Pay all expenses incurred by an **insured** for first aid to others at the time of the accident, not to exceed \$10,000.

EXCLUSIONS

A. We do not provide Liability Coverage for:

1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a different person or persons than expected or intended.

2. **Property damage** to property owned or being transported by any **insured**.
3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.
 This exclusion (A.3.) does not apply to **property damage** to a residence or private garage.
4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (A.4.) does not apply to **bodily injury** to a domestic employee unless workers compensation benefits are required or available for that domestic employee.
5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. Any **insured** using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
7.
 - a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.
 - b. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**; or
 - (3) any partner, agent or employee of you or any **family member**.
8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in exclusions A.6. or A.7. This exclusion (A.8.) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in A.8.a. or A.8.b. above.
9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
10.
 - a. **Bodily injury or property damage** for which any **insured**:
 - (1) is an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
 - b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
11. **Punitive or exemplary damages** awarded against any **insured**.
12. **Bodily injury** to you or any **family member**.
13. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.

14. **Bodily injury or property damage** arising out of a criminal act or omission of the **insured**. This exclusion applies regardless of whether that **insured** is actually charged with, or convicted of, a crime. However, this exclusion (14.) does not apply to traffic violations.

B. We do not provide Liability Coverage for the ownership, maintenance or use of:

1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
- b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or
 - (2) to any **trailer**.
2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
- b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.
4. Any vehicle while it is:
 - a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or

c. preparing for, practicing for, used in, or competing in any prearranged or organized:

- (1) race activity; or
- (2) speed, performance, stunt, or demolition contest or exhibition.

LIMIT OF LIABILITY

A. If the Declarations indicates "per person"/"per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

B. If the Declarations indicate **Combined Single Limit** applies, Paragraph A. above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate **minimum limits** required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.
- D. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
 - 1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 - 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.
- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to

the extent required. The **insured** must reimburse us if we make a payment that we would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

If there is other applicable liability insurance:

- 1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.
- 2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

- 1. Caused by accident; and
- 2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B. "**Insured**" as used in this Part means:

- 1. You or any **family member**:
 - a. while **occupying**, maintaining or using; or
 - b. as a pedestrian or bicyclist when struck by;
- a **motor vehicle** designed for use mainly on public roads or a **trailer** of any type.

- 2. Any other person while **occupying**, maintaining or using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
- 3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C. "**Usual and customary charges**" as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

- 1. Licensed, certified or registered health care professionals;
- 2. Medical examinations;
- 3. Medical file reviews;

4. Medical bill review services; or
5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers compensation benefits are required or available for the **bodily injury**.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member** or other person who resides with you; or
 - b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (7.) does not apply to you.

8. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.
9. Sustained while **occupying** a vehicle when it is being used in the **business** of an **insured**. This exclusion (9.) does not apply

to **bodily injury** sustained while **occupying** a:

- a. private passenger auto;
 - b. pickup, van or motorhome that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
10. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
 11. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
 12. Sustained while **occupying** any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
 13. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies

will continue to pay in accordance with Paragraph a.

- (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

ASSIGNMENT OF PAYMENTS OF COVERED EXPENSES

- A. An **insured** may assign, in writing, payments of expenses for services provided to the **insured** that are covered under Part B of this policy to:
1. A licensed hospital or other licensed health care provider as defined in COLO. REV. STAT. SECTION 10-4-902(3);
 2. An occupational therapist as described in COLO. REV. STAT. SECTION 6-1-707(1)(c); or
 3. A massage therapist.
- B. If an **insured** assigns such payments, we will pay expenses for service covered under Part B directly to the licensed hospital or other licensed health care provider, occupational therapist or massage therapist described in paragraph B.1.

PART C — UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by that **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay damages under this coverage caused by an accident with an **underinsured motor vehicle** only if 1. or 2. below applies:

1. The limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an **insured** and the insurer of the **underinsured motor vehicle** and we:
 - a. have been given prompt written notice of such tentative settlement; and
 - b. advance payment to the **insured** in an amount equal to the tentative

settlement within 30 days after receipt of notification.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying** or using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in B.1. or B.2. above.

- C. "**Underinsured motor vehicle**" means a land motor vehicle, the ownership, maintenance or use of which is insured or bonded for **bodily injury** at the time of the accident, but the amount paid for **bodily injury** under such insurance or bonds is not enough to pay the full amount the **insured** is legally entitled to recover as damages.

However, "**underinsured motor vehicle**" does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**;
2. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part A of this policy applies and Liability Coverage is

excluded for damages sustained in an accident.

3. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
4. Owned by any governmental unit or agency.
5. Operated on rails or crawler treads.
6. Designed mainly for use off public roads while not upon public roads.
7. While located for use as a residence or premises.

D. "Uninsured motor vehicle" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the **minimum limits** for bodily injury liability.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **bodily injury** without hitting
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. We will only accept clear and convincing evidence which must consist of more than **insured's** testimony.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part **A** of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.

4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury sustained by any **insured**:**

1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (**B.2.**) does not apply to a share-the-expense car pool.
3. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
5. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers compensation law; or
2. Disability benefits law.

C. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages.**

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for "each person" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. **Insureds;**
2. Claims made;
3. Vehicles shown in the Declarations; or
4. Vehicles involved in the accident.

The limit of liability for two or more motor vehicles or two or more policies issued to you by us shall not be added together, combined, or stacked to determine the limit of insurance coverage available to the injured persons unless there is a premium for Uninsured/Underinsured Motorists Coverage shown on each policy.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part B of this policy.
- C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- D. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:
1. Workers compensation law; or
 2. Disability benefits or occupational disease laws.
- E. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OTHER INSURANCE

- A. If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

1. Any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for **your covered auto**, shall be excess over any collectible insurance.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.
- B. Underinsured Motorists Coverage shall be excess over all bodily injury liability bonds or policies applicable at the time of the accident.

ARBITRATION

- A. If we and an **insured** do not agree:
1. Whether that **insured** is legally entitled to recover damages; or
 2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
1. Pay the expenses it incurs; and
 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

ADDITIONAL DUTIES

A person seeking Underinsured Motorists Coverage must also promptly:

1. Send us copies of the legal papers if a suit is brought; and
2. Notify us in writing of a tentative settlement between the **insured** and the insurer of the

underinsured motor vehicle and allow us 30 days to advance payment to that **insured** in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such **underinsured motor vehicle**.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this Part of the policy. However,

- a. if loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply;
 - b. in the event of a **collision** with another vehicle insured by a Safeco insurance company, other than a vehicle described as **your covered auto** or **non-owned auto**, no deductible will apply.
 - c. no deductible will apply to **your covered auto** or a **non-owned auto** if the loss to **your covered auto** or a **non-owned auto** results from the same event as a loss covered under your Safeco Homeowners, Condominium or Rental policy and we issue a payment under your Homeowners, Condominium or Rental policy for the loss.
- B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

- C. 1. "**Non-owned auto**" means:

- a. Any private passenger auto, pickup, van (other than a cargo van) or **trailer** with a Gross Vehicle Weight Rating of 12,000 pounds or less or any cargo van or moving van with a Gross Vehicle Weight Rating of 18,000 pounds or less, not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or

- b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:

- (1) breakdown;
- (2) repair;
- (3) servicing;
- (4) loss; or
- (5) destruction.

2. "**Non-owned auto**" does not include any vehicle which has been operated or rented by or in the possession of an **insured** for 30 or more consecutive days. This does not apply to a temporary substitute vehicle authorized by us.

- D. **"Camper body"** means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.
- E. **"Diminution in value"** means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

A. Subject to the limitations described in paragraphs B. and C. below, we will pay:

1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto** or a **non-owned auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto. We will pay only expenses incurred during the period:
 - a. beginning 48 hours after the theft; and
 - b. ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay only expenses beginning when the **non-owned auto** is withdrawn from use for more than 24 hours. We will pay for indirect loss expenses if the loss is caused by:
 - a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
 - b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

B. For the expenses described in paragraphs A.1. and A.2. we will pay the greater of the following, without application of a deductible:

1. Up to \$25 per day, to a maximum of \$750; or
2. The limit for Loss of Use, if any, shown in the Declarations.

C. Our payment for the expenses described in paragraphs A.1. and A.2. will be limited to that period of time reasonably required to repair or replace the **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.

2. Loss to **your covered auto** or any **non-owned auto** while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.

3. Damage or loss due and confined to:

- a. wear and tear;
- b. freezing;
- c. mechanical or electrical breakdown or failure; or
- d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

- a. moisture, condensation, humidity, or vapor;
- b. water intrusion around or through panels, surfaces and seals; or
- c. water that collects in spaces or ventilation systems; or
- d. **fungi**, dry rot or bacteria; resulting from neglect.

5. Loss due to or as a consequence of:

- a. discharge of any nuclear weapon (even if accidental);
- b. war (declared or undeclared);
- c. civil war;
- d. insurrection; or
- e. rebellion or revolution.

6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:

- a. nuclear reaction;
- b. radiation; or
- c. radioactive contamination.

7. Loss to:

- a. any electronic equipment designed for the production or reproduction of sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.

b. This exclusion (7.) does not apply to:

- (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:

(a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or

(b) the electronic equipment is:

- i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
- ii. designed to be solely operated by use of the power from the auto's electrical system; and
- iii. in or upon **your covered auto** or any **non-owned auto**;

at the time of loss.

(c) any equipment installed through our Teensurance™ program.

However, we will pay only up to a total of \$1,000 or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for all such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.

(2) any other electronic equipment that is:

- (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
- (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.

8. Loss to:

- a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
- b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).

9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:

- a. engaged in illegal activities; or
- b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.

10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:

- a. acquire during the policy period; and
- b. ask us to insure within 30 days after you become the owner.

11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted.

12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.

13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and

13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
15. Loss to **your covered auto** or any **non-owned auto** while it is:
- a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
16. Loss to, or loss of use of, a **non-owned auto** rented by:
- a. you; or
 - b. any **family member**;
- if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.
17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual, alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.
18. Loss to **your covered auto**, **non-owned auto**, or **trailer**, for **diminution in value**.
19. Loss in excess of \$1,000 per claim or the actual cash value of **your covered auto** or any **non-owned auto**, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:
- a. custom murals, paintings or other decals or graphics;
 - b. custom wheels, tachometers, pressure and temperature gauges;
 - c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and lift kits, winches, utility boxes, and tool boxes; or
 - d. non-standard paint.
- This exclusion does not apply to equipment installed to make a vehicle handicap accessible.
20. Loss arising out of the use of **your covered auto** while leased or rented to others.
21. Loss to **your covered auto** or a **non-owned auto** caused by an intentional act by you or a **family member**, or at the direction of you or a **family member**.
- LIMIT OF LIABILITY**
- A. At our option, our limit of liability for loss will be the lowest of:
- 1. The actual cash value of the stolen or damaged property;
 - 2.
 - a. The amount necessary to repair or replace the property;
 - b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us; or
 - 3. The limit of liability shown in the Declarations.
- However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.
- B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be

excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the expenses of the appraisal and umpire equally.

B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 4. Authorize us to obtain:
 - a. medical reports; and

b. other pertinent records.

5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
 1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- B. The premium for your policy is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If this information is incorrect, incomplete, or changes, we will adjust your premium during the policy term or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that will result in a premium increase or decrease during the policy term include, but are not limited to, changes in:
1. The number, type or use classification of insured vehicles.
 2. Operators using insured vehicles, including newly licensed **family member** drivers and any household members that have licenses.

3. The location where your vehicle is principally garaged.

4. Customized equipment or parts.

You also agree to disclose all licensed drivers residing in your household.

- C. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (C.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of your policy; or
2. An Amendatory Endorsement.

- D. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, at the time application was made or any time during the policy period.

We may void this policy or deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy or deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
1. We agree in writing that the **insured** has a legal obligation to pay damages; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the legal liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:

1. Do whatever is necessary to enable us to exercise our rights; and
2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

Paragraph (A.) does not apply to Part B — Medical Payments under the policy.

- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

With respect to Uninsured/Underinsured Motorists Coverage and Property Damage Uninsured Motorists Coverage, we shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

- C. 1. Our rights do not apply under paragraph A. with respect to Underinsured Motorists Coverage if:
- a. We have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and
 - b. We fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

2. If we advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification:

- a. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We also have a right to recover the advanced payment.

TERMINATION

- A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:

- a. returning this policy to us; or
- b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.

2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:

- a. at least 10 days notice:
 - (1) if cancellation is for nonpayment of premium; or
 - (2) if this policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal policy; or

- b. at least 30 days notice in all other cases.

3. After this policy is in effect for 60 days, or more, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium; or
- b. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked. This must have occurred:

- (1) during the policy period; or
- (2) since the last anniversary of the original effective date if the policy period is other than 1 year.

- c. if you knowingly made a false statement on the application for this policy.

B. Nonrenewal. If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period.

C. Automatic Termination. If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

Coverage for **your covered auto** shall automatically terminate on the effective date of any other motor vehicle insurance policy covering that vehicle.

D. Other Termination Provisions.

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals.

However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A.** Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:
1. The surviving spouse, civil partner or domestic partner if resident in the same household at the time of death. Coverage applies to the spouse, civil partner or domestic partner as if a named insured shown in the Declarations; and
 2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. The limit of liability for two or more motor vehicles or two or more policies issued to you by us shall not be added together, combined, or stacked to determine the limit of insurance coverage available to the injured persons unless there is a premium for Uninsured/Underinsured Motorists Coverage shown on each policy.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after cancellation notice is received by the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will not be protected.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a **motor vehicle** being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

A. We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

B. **Property damage** as used under this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:

1. Loss of use of **your covered auto**; or
2. Damage to property owned by you while contained in **your covered auto**.

C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident, but its limit for property damage liability is less than the **minimum limit** for property damage liability specified by the Colorado financial responsibility law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits **your covered auto**.
4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.

3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. To any **motor vehicle** owned by you which is not insured for this coverage under this policy. This includes a **trailer** of any type used with that vehicle.
2. If you or your legal representative settles the **property damage** claim without our consent.
3. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.3.) does not apply to a share-the expense car pool.
4. While using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
5. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
6. To any **motor vehicle** owned by you for which you have purchased Collision Coverage under this policy or any other policy.
7. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or

- c. preparing for, practicing for, used in or competing in any prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
- B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.
- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. At our option, our limit of liability for loss will be the lowest of:
 - 1. The actual cash value of **your covered auto**;
 - 2.
 - a. The amount necessary to repair or replace the property;
 - b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us.

This is the most we will pay, regardless of the number of:

- 1. Claims made;
 - 2. Vehicles or premiums shown in the Declarations; or
 - 3. Vehicles involved in the accident.
- C. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of **your covered auto** at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle,

we will not pay for the amount of the any betterment.

- D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- E. Any amounts otherwise payable for damages under this coverage shall be reduced by the amount of the deductible applicable to **your covered auto**, if any, indicated in the Declarations for this coverage.

OTHER INSURANCE

If there is other applicable similar insurance available any insurance we provide shall be excess over any other applicable similar insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible similar insurance.

ARBITRATION

- A. If we and an **insured** do not agree:
 - 1. Whether that **insured** is legally entitled to recover damages under this coverage; or
 - 2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this coverage may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which you live. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:
 - 1. Whether you are legally entitled to recover damages; and
 - 2. The amount of damages.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

- 1. Promptly notify the police if a hit-and-run driver is involved.

2. Promptly send us copies of the legal papers if a suit is brought.

ROADSIDE ASSISTANCE COVERAGE CALL 1-877-ROAD 101 (1-877-762-3101)

"Your covered auto" as used in this endorsement means a private passenger vehicle, motor home or trailer owned by you and for which a specific premium is shown on the Declarations for this coverage.

The following coverages apply to each vehicle for which this coverage is shown on the Policy Declarations:

1. Each time **your covered auto** or any **non-owned auto** is disabled due to mechanical or electrical breakdown we will pay reasonable and necessary expenses for the use of an **authorized service provider** to tow or flatbed **your covered auto** or **non-owned auto** up to 10 miles or to the nearest qualified place where necessary repairs can be made during regular **business** hours.
2. Each time **your covered auto** or any **non-owned auto** is disabled requiring:
 - a. Towing to dislodge the vehicle from its place of disablement within 100 feet of a public street or highway; or
 - b. Labor, including change of tire, at the place of its breakdown; or
 - c. Delivery of fuel, oil, water or other fluids (we do not pay the costs of these items); or
 - d. Key lock-out services;

we will cover up to one (1) hour of labor for the use of an **authorized service provider** for service at the place of disablement.
3. For policies with a 6 month policy term, coverage is limited to no more than two occurrences per vehicle plus an additional two occurrences per policy in a 6 month policy period for both coverages 1. and 2., above.
4. For policies with an annual policy term, coverage is limited to no more than four occurrences per vehicle plus an additional four occurrences per policy in a 12 month policy period for both coverages 1. and 2. above.

Authorized service provider means a service provider contracted by us providing, at no charge to you, roadside assistance as described and limited above.

When service is provided by other than an **authorized service provider**, we will reimburse you only for reasonable charges as determined by us.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

1. The vehicle is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.

FULL SAFETY GLASS COVERAGE

We will pay under Comprehensive Coverage for the cost of repairing or replacing damaged **safety equipment** on **your covered auto** without a deductible. We will pay only if:

1. The Declarations indicates that Comprehensive Coverage applies; and
2. A specific premium charge for Full Safety Glass Coverage is shown in the Declarations for **your covered auto**.

"Safety equipment", as used in this coverage means the:

1. Glass used in the windshield, doors and windows of **your covered auto**; and
2. Glass, plastic or other material used in the lights of **your covered auto**.



COLORADO PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF AMERICA
 GENERAL INSURANCE COMPANY OF AMERICA
 Home Office: 4333 Brooklyn Ave. N.E., Seattle, Washington 98185
 SAFECO INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195
 (Each a stock insurance company.)

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AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

DEFINITIONS

A. Throughout this policy, "you" and "your" refer to:

1. The "named insured" shown in the Declarations; and
2. The spouse if a resident of the same household.

B. "We," "us" and "our" refer to the Company providing this insurance.

C. For purposes of this policy, a private passenger type auto, pickup or van shall be deemed to be owned by a person if leased:

1. Under a written agreement to that person; and
2. For a continuous period of at least six months.

Other words and phrases are defined. They are in bold type when used.

D. "**Bodily injury**" means bodily harm, sickness or disease, including death that results.

E. "**Business**" includes trade, profession or occupation.

F. "**Family member**" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.

G. "**Occupying**" means in; upon; or getting in, on, out or off.

H. "**Property damage**" means physical injury to, destruction of or loss of use of tangible property.

I. "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.

J. "**Trailer**" means a vehicle designed to be pulled by a:

1. Private passenger auto; or
2. Pickup, van or motor home.

It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.

K. "**Your covered auto**" means:

1. Any vehicle shown in the Declarations.
2. Any of the following types of vehicles on the date you become the owner, whether operational or not:
 - a. a private passenger auto;
 - b. a pickup or van that:
 - (1) has a Gross Vehicle Weight of less than 10,000 lbs.; and
 - (2) is not used for the delivery or transportation of goods and materials unless such use is:
 - (a) incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or
 - (b) for farming or ranching; or
 - c. a motor home or **trailer**.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced.

If the vehicle you acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations.

This provision (K.2.) applies only if you ask us to insure the newly acquired vehicle during the policy period in which it was acquired or within thirty days after you become the owner, whichever is greater.

3. Any **trailer** you own.

4. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. breakdown;
- b. repair;
- c. servicing;
- d. loss; or
- e. destruction.

This provision (K.4.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

B. "Insured" as used in this Part means:

1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.
2. Any person using **your covered auto**.
3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under 1. and 2. above.
4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or **trailer**.

SUPPLEMENTARY PAYMENTS

In addition to our limit of liability, we will pay on behalf of an **insured**:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Interest on that part of the judgment we pay, accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.
4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.

5. Other reasonable expenses incurred at our request.

EXCLUSIONS

A. We do not provide Liability Coverage for any **insured**:

1. Who intentionally causes **bodily injury** or **property damage**.
2. For **property damage** to property owned or being transported by that **insured**.
3. For **property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;

that **insured**.

This exclusion (A.3.) does not apply to **property damage** to a residence or private garage.

4. For **bodily injury** to an employee of that **insured** during the course of employment. This exclusion (A.4.) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. For that **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
6. While employed or otherwise engaged in the **business** or occupation of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion (A.6.) does not apply to the ownership, maintenance or use of **your covered auto** by:

 - a. you;
 - b. any **family member**; or
 - c. any partner, agent or employee of you or any **family member**.
7. Maintaining or using any vehicle while that **insured** is employed or otherwise engaged

in any **business** (other than farming or ranching) not described in exclusion A.6.

This exclusion (A.7.) does not apply to the maintenance or use of a:

- a. private passenger auto;
 - b. pickup, motor home or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in a. or b. above.
8. Using a vehicle without a reasonable belief that that **insured** has permission to do so.
9. For **bodily injury** or **property damage** for which that **insured**:
- a. is an insured under a nuclear energy liability policy; or
 - b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
- A nuclear energy liability policy is a policy issued by any of the following or their successors:
- a. American Nuclear Insurers;
 - b. Mutual Atomic Energy Liability Underwriters; or
 - c. Nuclear Insurance Association of Canada.
10. For **punitive or exemplary damages** awarded against an **insured**.

B. We do not provide Liability Coverage for the ownership, maintenance or use of:

- 1. Any vehicle which:
 - a. has fewer than four wheels; or
 - b. is designed mainly for use off public roads.
- This exclusion does not apply:
- a. while such vehicle is being used by an **insured** in a medical emergency; or
 - b. to any **trailer**

2. Any vehicle, other than **your covered auto**, which is:

- a. owned by you; or
 - b. furnished or available for your regular use.
3. Any vehicle, other than **your covered auto**, which is:
- a. owned by any **family member**; or
 - b. furnished or available for the regular use of any **family member**.

However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:

- a. owned by a **family member**; or
 - b. furnished or available for the regular use of a **family member**.
4. Any vehicle, located inside a facility designed for racing, for the purpose of:
- a. competing in; or
 - b. practicing or preparing for;
- any prearranged or organized racing or speed contest.

C. We do not provide Liability Coverage for you or any **family member** for **bodily injury** to any **family member**.

LIMIT OF LIABILITY

A. If the Declarations indicate **Individual Coverages** apply:

The limit of liability shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for "each accident" for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

- 1. **Insureds**;
- 2. Claims made;
- 3. Vehicles or premiums shown in the Declarations; or

4. Vehicles involved in the auto accident.

B. If the Declarations indicate Combined Single Limit applies:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. Insureds;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

A. If the state or province has:

1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
2. A compulsory insurance or similar law requiring a nonresident to maintain insurance

whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.

B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable liability insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance providing coverage on a primary basis.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

A. We will pay usual and customary charges incurred for reasonable and necessary medical and funeral expenses because of **bodily injury:**

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured" as used in this Part means:

1. You or any family member:

- a. while **occupying**; or
- b. as a pedestrian when struck by;

a motor vehicle designed for use mainly on public roads or a **trailer** of any type.

Also, you or any **family member** while **occupying** a bicycle when struck by a motor vehicle designed for use mainly on public roads or by a **trailer** of any type.

2. Any other person while **occupying your covered auto**.
3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.
5. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member**; or
 - b. furnished or available for the regular use of any **family member**.

However, this exclusion (6.) does not apply to you.
7. Sustained while **occupying** a vehicle without a reasonable belief that that **insured** has permission to do so.
8. Sustained while **occupying** a vehicle when it is being used in the **business** or occupation of an **insured**. This exclusion (8.) does not apply to **bodily injury** sustained while **occupying** a:
 - a. private passenger auto;
 - b. pickup, van or motor home that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
9. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or

- e. rebellion or revolution.
10. From or as a consequence of the following, whether controlled or uncontrolled or how-ever caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
11. Sustained while **occupying** any vehicle located inside a facility designed for racing, for the purpose of:
 - a. competing in; or
 - b. practicing or preparing for;

any prearranged or organized racing or speed contest.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

ASSIGNMENT OF PAYMENTS OF COVERED EXPENSES

A. An **insured** may assign, in writing, payments of expenses for services provided to the **insured** that are covered under Part B of this policy to:

1. A licensed hospital or other licensed health care provider as defined in COLO. REV. STAT. SECTION 10-4-902(3);

2. An occupational therapist as described in COLO. REV. STAT. SECTION 6-1-707(1)(c); or

3. A massage therapist.

B. If an **insured** assigns such payments, we will pay expenses for services covered under Part B directly to the licensed hospital or other licensed health care provider, occupational therapist or massage therapist described in paragraph B.1.

PART C — UNINSURED/UNDERINSURED**MOTORISTS COVERAGE****INSURING AGREEMENT**

A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by an **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay under Underinsured Motorists Coverage only if 1. or 2. below applies:

1. The limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgment or settlements; or
2. A tentative settlement has been made between an **insured** and the insurer of the **underinsured motor vehicle** and we:
 - a. have been given prompt written notice of such tentative settlement; and
 - b. advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying** or using **your covered auto**.
3. Any person for damages that person is entitled to recover because of **bodily injury** to which this coverage applies sustained by a person described in 1. or 2. above.

C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.

2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the Colorado financial responsibility law.

3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **bodily injury** without hitting:

- a. you or any **family member**;
- b. a vehicle which you or any **family member** are **occupying**; or
- c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. We will only accept competent evidence other than the testimony of a person making a claim under this or any similar coverage.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:

- a. denies coverage; or
- b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part A of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.

6. While located for use as a residence or premises.

D. "Underinsured motor vehicle" means a land motor vehicle, the ownership, maintenance or use of which is insured or bonded for bodily injury or death at the time of the accident, but the limits of liability for bodily injury or death under such insurance or bonds are:

1. Less than the limits for this coverage under the **insured's** policy; or
2. Reduced by payments to persons other than an **insured** in the accident to less than the limits of Uninsured/Underinsured Motorists Coverage under the **insured's** policy.

However, "underinsured motor vehicle" does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**;
2. Owned by or furnished for the regular use of you or any **family member** unless it is a vehicle to which Part A of the policy applies and liability coverage is excluded for damages sustained in the accident.
3. Owned by any governmental unit or agency;
4. Operated on rails or crawler treads;
5. Designed mainly for use off public roads while not on public roads;
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent. However, this exclusion (A.1.) does not apply to a settlement made with the insurer of an **underinsured motor vehicle**.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (A.2.) does not apply to a share-the-expense car pool.
3. Using a vehicle without a reasonable belief that that **insured** has permission to do so.
4. While **occupying** or operating a motorcycle or moped.

B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers' compensation law; or

2. Disability benefits law.

C. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

A. The limit of liability shown in the Declarations for "each person" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles shown in the Declarations; or
4. Vehicles involved in the accident.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to injured persons.

The limit for Underinsured Motorists Coverage shown in the Declarations for the vehicle involved in the accident shall be reduced by the sum of the limits of liability under all bodily injury liability bonds or policies (other than this policy) applicable at the time of the accident.

B. The limit of liability shall be reduced by all sums:

1. Paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A; and
2. Paid or payable because of the **bodily injury** under any workers' compensation or similar law.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part B of this policy.

D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

- E. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

OTHER INSURANCE

- A. If there is other applicable insurance available under one or more policies or provisions of coverage:

1. Any recovery for damages under all such policies or provisions of coverage may be equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance providing coverage on a primary basis.
3. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

- B. Underinsured Motorists Coverage shall be excess over all bodily injury liability bonds or policies applicable at the time of the accident.

ARBITRATION

- A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, or **underinsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge or a court having jurisdiction.

- B. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

- C. Unless both parties agree otherwise, arbitration will take place in the county in which you live. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether you are legally entitled to recover damages; and
2. The amount of damages.

ADDITIONAL DUTIES

A person seeking Underinsured Motorists Coverage must also promptly:

1. Send us copies of the legal papers if a suit is brought; and
2. Notify us in writing of a tentative settlement between the **insured** and the insurer of the **underinsured motor vehicle** and allow us 30 days to advance payment to that **insured** in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such **underinsured motor vehicle**.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

- A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

- B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object. No deductible will apply if the collision is with another auto insured by either Safeco Insurance Company of America, Safeco Insurance Company of Illinois, Safeco National Insurance Company, Safeco Lloyds Insurance Company, First National Insurance Company of America or General Insurance Company of America.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Loss caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

- C. "**Non-owned auto**" means:

1. Any private passenger auto, pickup, van or **trailer** not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or
2. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

- D. "**Camper body**" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

TRANSPORTATION EXPENSES

In addition we will pay, without application of a deductible, either of the following, whichever is greater:

1. Up to \$25 per day, to a maximum of \$750; or
2. The limit for Loss of Use, if any, shown on the Declarations;

For:

1. Temporary transportation expenses incurred by you in the event of a total theft of **your covered auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay for indirect loss expenses if the loss is caused by:
 - a. other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
 - b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

If the loss is caused by a total theft of a **non-owned auto**, we will pay only expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

If the loss is caused by other than a total theft of a **non-owned auto**, we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.

Our payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (2.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.

3. Loss due to or as a consequence of:

- a. radioactive contamination;
- b. discharge of any nuclear weapon (even if accidental);
- c. war (declared or undeclared);
- d. civil war;
- e. insurrection; or
- f. rebellion or revolution.

4. Loss to:

- a. any electronic equipment designed for the reproduction of sound, including, but not limited to:
 - (1) radios and stereos;
 - (2) tape decks; or
 - (3) compact disc players;
- b. any other electronic equipment that receives or transmits audio, visual or data signals, including, but not limited to:
 - (1) citizens band radios;
 - (2) telephones;
 - (3) 2-way mobile radios;
 - (4) scanning monitor receivers;
 - (5) television monitor receivers;
 - (6) video cassette recorders;
 - (7) audio cassette recorders; or
 - (8) personal computers;
- c. tapes, records, discs, or other media used with equipment described in a. or b.; or
- d. any other accessories used with equipment described in a. or b.

This exclusion (4.) does not apply to:

- a. equipment designed solely for the reproduction of sound and accessories used with such equipment, provided:
 - (1) the equipment is permanently installed in **your covered auto** or any **non-owned auto**; or
 - (2) the equipment is:
 - (a) removable from a housing unit which is permanently installed in the auto;
 - (b) designed to be solely operated by use of the power from the auto's electrical system; and

(c) in or upon **your covered auto** or any **non-owned auto**;

at the time of loss.

b. any other electronic equipment that is:

- (1) necessary for the normal operation of the auto or the monitoring of the auto's operating systems; or
- (2) an integral part of the same unit housing any sound reproducing equipment described in a. and permanently installed in the opening of the dash or console of **your covered auto** or any **non-owned auto** normally used by the manufacturer for installation of a radio.

5. A total loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:

- a. engaged in illegal activities; or
- b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (5.) does not apply to the interests of Loss Payees in **your covered auto**.

6. Loss to a **camper body**, motor home or **trailer** you own which is not shown in the Declarations. This exclusion (6.) does not apply to a **camper body**, motor home or **trailer** you:

- a. acquire during the policy period; and
- b. ask us to insure during the policy period or within 30 days after you become the owner, whichever is greater.

7. Loss to any **non-owned auto** when used by you or any **family member** without a reasonable belief that you or that **family member** have permission to do so.

8. Loss to equipment designed or used for the detection or location of radar or laser.

9. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:

- a. selling;
- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use on public highways. This includes road testing and delivery.

10. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 9. This exclusion (10.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
11. Loss to **your covered auto** or any **non-owned auto**, located inside a facility designed for racing, for the purpose of:
 - a. competing in; or
 - b. practicing or preparing for;
 any prearranged or organized racing or speed contest.
12. Loss to, or loss of use of, a **non-owned auto** rented by:
 - a. you; or
 - b. any **family member**;
 if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

LIMIT OF LIABILITY

- A. Our limit of liability for loss will be the lesser of the:
 1. Actual cash value of the stolen or damaged property;
 2. Amount necessary to repair or replace the property; or
 3. Limit of liability shown in the Declarations.
 However, the most we will pay for loss to any **non-owned auto** which is a **trailer** is \$1,000.
- B. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or

2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:
 1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice

should also include the names and addresses of any injured persons and of any witnesses.

- B. A person seeking any coverage must:

1. Cooperate with us in the investigation, settlement or defense of any claim or suit.

2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
 5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
1. Promptly notify the police if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. Before the end of any policy period, we may offer to change the coverage provided in this policy. Your payment of the premium billed by us for the next policy period will be your acceptance of our offer.

- B. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- C. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
1. The number, type or use classification of insured vehicles;
 2. Operators using insured vehicles;
 3. The place of principal garaging of insured vehicles;
 4. Coverage, deductible or limits.

If a change resulting from B. or C. requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

- D. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (D.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
1. A subsequent edition of your policy; or
 2. An Amendatory Endorsement.

- E. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

FRAUD

We do not provide coverage for any **insured** who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
1. We agree in writing that the **insured** has an obligation to pay; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:
1. Whatever is necessary to enable us to exercise our rights; and
 2. Nothing after loss to prejudice them.
- However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with a reasonable belief that that person has permission to do so.
- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:
1. Hold in trust for us the proceeds of the recovery; and
 2. Reimburse us to the extent of our payment.

With respect to Uninsured/Underinsured Motorists Coverage and Property Damage Uninsured Motorists Coverage, we shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

- C. Our rights do not apply under paragraph A. with respect to Underinsured Motorists Coverage if we:

1. Have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and
2. Fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification:

1. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage; and
2. We also have a right to recover the advanced payment.

TERMINATION

- A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.
2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:
 - a. at least 10 days notice:
 - (1) if cancellation is for nonpayment of premium; or
 - (2) if this policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal policy; or
 - b. at least 30 days notice in all other cases.
3. After this policy is in effect for 60 days or more, or if this is a renewal policy, we will cancel only:
 - a. for nonpayment of premium; or
 - b. if your driver's license or that of:
 - (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked. This must have occurred:

 - (1) during the policy period; or

- (2) since the last anniversary of the original effective date if the policy period is other than 1 year.

However, this Paragraph (b.) shall not apply to a driver's license that has been:

- (1) revoked due to conviction for defacing property, or criminal mischief where the underlying basis was defacing property; or
 - (2) suspended due to failure to comply with a child support order.
- c. if you knowingly made a false statement on the application for this policy.

B. Nonrenewal. If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period.

C. Automatic Termination. If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

D. Other Termination Provisions.

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals.

However, making or offering to make the refund is not a condition of cancellation.

3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. This provision does not apply to Uninsured/Underinsured Motorists Coverage.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after cancellation notice is received by the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A.** We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

- B. Property damage** as used under this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:

1. Loss of use of **your covered auto**; or

2. Damage to property owned by you while contained in **your covered auto**.

C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident, but its limit for property damage liability is less than the minimum limit for property damage liability specified by the Colorado financial responsibility law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits **your covered auto**.
4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

A. We do not provide Uninsured Motorists Coverage for **property damage**:

1. To any motor vehicle owned by you which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
2. If you or your legal representative settles the **property damage** claim without our consent.
3. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.3.) does not apply to a share-the-expense car pool.

4. When **your covered auto** is being used by an **insured** without a reasonable belief that that **insured** has permission to do so.

5. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.

B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.

C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

A. Our limit of liability will be the lesser of:

1. The **actual cash value** of **your covered auto**; or
2. The amount necessary to repair or replace **your covered auto**.

This is the most we will pay, regardless of the number of:

1. Claims made;
2. Vehicles or premiums shown in the Declarations; or
3. Vehicles involved in the accident.

B. As used in this coverage, "**actual cash value**" means the amount required to replace **your covered auto** at the time of loss, less all sums reflecting:

1. **Depreciation**. As used in this coverage "**depreciation**" means the decrease in value of **your covered auto** resulting from its use, age, wear and tear, or obsolescence; and
2. The physical condition of **your covered auto**.

C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

Any amounts otherwise payable for damages under this coverage shall be reduced by the amount of the deductible applicable to **your covered auto**, if any, indicated in the Declarations for this coverage.

OTHER INSURANCE

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

ARBITRATION**A. If we and an insured do not agree:**

1. Whether that **insured** is legally entitled to recover damages under this coverage; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this coverage may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which you live. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether you are legally entitled to recover damages; and
2. The amount of damages.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

1. Promptly notify the police if a hit-and-run driver is involved.
2. Promptly send us copies of the legal papers if a suit is brought.

TOWING AND LABOR COSTS COVERAGE

We will pay reasonable expenses incurred each time **your covered auto** or a **non-owned auto** is disabled, for:

1. Towing to the nearest place where necessary repairs can be made during regular business hours if it will not run;
2. Towing it out if it is stuck on or next to a public street or highway;
3. Mechanical labor up to one hour at the place of its breakdown;
4. Change of tire; or
5. Delivery of gasoline, oil or loaned battery. We do not pay the cost of these items.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use coverage is afforded, we will reimburse you for expenses you incur to rent a substitute auto.

This coverage applies only if:

1. The auto is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the auto.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the auto.

Our payment will be limited to that period of time reasonably required to repair or replace the auto. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.



COLORADO PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
Home Office: 4333 Brooklyn Ave. N.E., Seattle, Washington 98185

SAFECO INSURANCE COMPANY OF ILLINOIS
Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195

(Each a stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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AGREEMENT

Subject to the payment of all premiums, when due, and in reliance upon the statements in the application, and subject to the terms of this policy, we make the following agreements with you.

DEFINITIONS

- A.** Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations;
 2. The spouse if a resident of the same household;
 3. The civil partner, if a resident of the same household, by civil union licensed and certified by the state; or
 4. The domestic partner, if a resident of the same household;
- "Domestic partner"** means a person living as a continuing partner with you and:
- (a) is at least 18 years of age and competent to contract;
 - (b) is not a relative; and
 - (c) shares with you the responsibility for each other's welfare, evidence of which includes:
 - (1) the sharing in domestic responsibilities for the maintenance of the household; or
 - (2) having joint financial obligations, resources, or assets; or
 - (3) one with whom you have made a declaration of domestic partnership or similar declaration with an employer or government entity.
- Domestic partner** does not include more than one person, a roommate whether sharing expenses equally or not, or one who pays rent to the named insured.
- B.** "We," "us" and "our" refer to the Company providing this insurance.
- C.** For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D.** Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Colorado law to be provided under a policy of automobile liability insurance:
1. \$25,000 for each person, subject to \$50,000 for each accident, with respect to **bodily injury**;
 2. \$15,000 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E.** "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F.** "**Business**" includes trade, profession or occupation.
- G.** "**Family member**" means a person related to you by blood, marriage, civil union, domestic partnership or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H.** "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I.** "**Occupying**" means in; upon; or getting in, on, out or off.
- J.** "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K.** "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L.** "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, van or motorhome.
- It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in **L.1.** or **L.2.** above.

M. "Your covered auto" means:

1. Any vehicle shown in the Declarations.

2. a. Any of the following types of vehicles on the date you become the owner, subject to the conditions under **M.2.b.** below, whether operational or not:

(1) a private passenger auto;

(2) a pickup or van that:

(a) has a Gross Vehicle Weight Rating of 10,000 lbs. or less; and

(b) is not used for the delivery or transportation of goods and materials unless such use is:

i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or

ii. for farming or ranching; or

(3) a motorhome or **trailer**.

b. The vehicles listed in **M.2.a.** above are subject to the following conditions:

(1) **Newly Acquired Replacement Vehicle.** If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced. This provision applies only if:

(a) you acquire the replacement vehicle during the policy period shown on the Declarations; and

(b) there is no other insurance policy that provides coverage for that replacement vehicle.

(2) **Newly Acquired Additional Vehicle.** If a newly acquired vehicle is in addition to any shown in the Declarations, that vehicle will have the broadest coverage we now provide for any vehicle shown in the Declarations. This provision applies only if:

(a) you acquire the additional vehicle during the policy period shown on the Declarations; and

(b) there is no other insurance policy that provides coverage for the additional vehicle.

(3) Provisions **M.2.b.(1)** and **(2)** apply only if you ask us to insure a newly acquired vehicle within thirty (30) days after you acquire the replacement or additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

3. Any auto or **trailer** you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

a. breakdown;

b. repair;

c. servicing;

d. loss; or

e. destruction.

This provision (**M.3.**) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for

bodily injury or **property damage** not covered under this policy.

B. "Insured" as used in this Part means:

1. You or any **family member** for the ownership, maintenance or use of any auto or **trailer**.

2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.

3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under **B.1.** and **B.2.** above.
4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or **trailer**.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
2. We accept the defense or agree to the judgment.
3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
5. If we appeal the judgment, we will pay interest on the entire judgment.
6. Post-judgment interest is in addition to the applicable limit of liability.
7. Where we are required to cover prejudgment interest, it shall be included in the limit of liability and is not an additional amount of insurance.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$100 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.

EXCLUSIONS

A. We do not provide Liability Coverage for:

1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a different person or persons than expected or intended.
2. **Property damage** to property owned or being transported by any **insured**.
3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.

This exclusion (**A.3.**) does not apply to **property damage** to a residence or private garage.

4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (**A.4.**) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (**A.5.**) does not apply to a share-the-expense car pool.
6. Any **insured** while maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** of delivery including but not limited to the delivery of newspapers or magazines, food or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
7. a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;
 vehicles designed for use mainly on public highways. This includes road testing and delivery.

- b. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**; or
 - (3) any partner, agent or employee of you or any **family member**.
 - 8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in exclusions A.6. or A.7. This exclusion (A.8.) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in A.8.a. or A.8.b. above.
 - 9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
 - 10. a. **Bodily injury or property damage** for which any **insured**:
 - (1) is an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
 - b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
 - 11. **Punitive or exemplary damages** awarded against any **insured**.
 - 12. **Bodily injury** to you or any **family member**.
 - 13. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
- 1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
 - b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or
 - (2) to any **trailer**.
 - 2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
 - 3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
 - b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.

4. Any vehicle while it is:
 - a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate **minimum limits** required by law for **bodily injury and property damage** liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **B** or Part **C** of this policy.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
 1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.
- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable liability insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.

LIMIT OF LIABILITY

- A. If the Declarations indicates "per person"/ "per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds;**
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

- B. If the Declarations indicate **Combined Single Limit** applies, Paragraph A. above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds;**
2. Claims made;

(2) is one policy remaining, then such policy will continue to pay

until its limit of liability has been exhausted.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B. “**Insured**” as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian, including bicycling, when struck by;

a **motor vehicle** designed for use mainly on public roads or a **trailer** of any type.
2. Any other person while **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C. “**Usual and customary charges**” as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

1. Licensed, certified or registered health care professionals;
2. Medical examinations;
3. Medical file reviews;
4. Medical bill review services; or
5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying your covered auto** when it is being used in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers’ compensation benefits are required or available for the **bodily injury**.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member** or other person who resides with you; or
 - b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (7.) does not apply to you.
8. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.
9. Sustained while **occupying** a vehicle when it is being used in the **business** of an

insured. This exclusion (9.) does not apply to **bodily injury** sustained while **occupying** a:

- a. private passenger auto;
 - b. pickup, van or motorhome that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
10. Caused by or as a consequence of:
- a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
11. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
- a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
12. Sustained while **occupying** any vehicle while it is:
- a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
13. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
1. **Insureds**;
 2. Claims made;

3. Vehicles or premiums shown in the Declarations; or

4. Vehicles involved in the accident.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

ASSIGNMENT OF PAYMENTS OF COVERED EXPENSES

- A. An **insured** may assign, in writing, payments of expenses for services provided to the **insured** that are covered under Part B of this policy to:
1. A licensed hospital or other licensed health care provider as defined in COLO. REV. STAT. SECTION 10-4-902(3);
 2. An occupational therapist as described in COLO. REV. STAT. SECTION 6-1-707(1)(c); or
 3. A massage therapist.
- B. If an **insured** assigns such payments, we will pay expenses for service covered under Part B directly to the licensed hospital or other licensed health care provider, occupational therapist or massage therapist described in paragraph B.1.

PART C — UNINSURED/UNDERINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by an **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay damages under this coverage caused by an accident with an **underinsured motor vehicle** only if 1. or 2. below applies:

1. The limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgments or settlements; or
2. A tentative settlement has been made between an **insured** and the insurer of the **underinsured motor vehicle** and we:
 - a. have been given prompt written notice of such tentative settlement; and
 - b. advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying** or using your **covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. Any person entitled to recover damages because of **bodily injury** to which this coverage applies sustained by a person described in B.1. or B.2. above.

- C. "**Underinsured motor vehicle**" means a land motor vehicle, the ownership, maintenance or use of which is insured or bonded for **bodily injury** or death at the time of the accident, but the limits of liability for **bodily injury** or death under such insurance or bonds are:

1. Less than the limits for this coverage under the **insured's** policy; or
2. Reduced by payments to persons other than an **insured** in the accident to less than the limits of Uninsured/Underinsured

Motorists Coverage under the **insured's** policy.

However, "**underinsured motor vehicle**" does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**;
2. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part A of this policy applies and Liability Coverage is excluded for damages sustained in an accident.
3. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
4. Owned by any governmental unit or agency.
5. Operated on rails or crawler treads.
6. Designed mainly for use off public roads while not upon public roads.
7. While located for use as a residence or premises.

- D. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the **minimum limits** for bodily injury liability.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **bodily injury** without hitting
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. We will only accept clear and convincing evidence which must consist of more than **insured's** testimony.

4. To which a bodily injury liability bond or policy applies at the time of the accident, but the bonding or insuring company:
 - a. denies coverage; or

- b. is or becomes insolvent.

However, “**uninsured motor vehicle**” does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part **A** of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained by any **insured**:
1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent.
 2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (**B.2.**) does not apply to a share-the-expense car pool.
 3. While maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
 4. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
 5. While **occupying** or operating an owned motorcycle or moped.
 6. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an

organized and controlled event that is not a speed, performance, stunt or demolition event;

- b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
- B. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:
1. Workers' compensation law; or
 2. Disability benefits law.
- C. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for “each person” for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for “each person”, the limit of liability shown in the Declarations for “each accident” for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles shown in the Declarations; or
4. Vehicles involved in the accident.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to injured persons.

The limit for Underinsured Motorists Coverage shown in the Declarations for the vehicle involved in the accident shall be reduced by the sum of the limits of liability under all bodily injury liability bonds or policies (other than this policy) applicable at the time of the accident.

B. The limit of liability shall be reduced by all sums:

1. Paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part **A**; and
2. Paid or payable because of the **bodily injury** under any workers' compensation or similar law.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **A** or Part **B** of this policy.**D.** We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.**E.** We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits or occupational disease laws.

OTHER INSURANCE**A.** If there is other applicable insurance available under one or more policies or provisions of coverage that is similar to the insurance provided under this Part of the policy:

1. Any recovery for damages under all such policies or provisions of coverage may equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.
2. Any insurance we provide with respect to a vehicle you do not own, including any vehicle while used as a temporary substitute for **your covered auto**, shall be excess over any collectible insurance.
3. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits

of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph **a**.

- (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

B. Underinsured Motorists Coverage shall be excess over all bodily injury liability bonds or policies applicable at the time of the accident.**ARBITRATION****A.** If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the **insured** lives. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.**ADDITIONAL DUTIES**

A person seeking Underinsured Motorists Coverage must also promptly:

1. Send us copies of the legal papers if a suit is brought; and
2. Notify us in writing of a tentative settlement between the **insured** and the insurer of the **underinsured motor vehicle** and allow us 30 days to advance payment to that **insured** in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such **underinsured motor vehicle**.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto**, including its equipment, any child safety seat in use in **your covered auto** or **non-owned auto**, minus any applicable deductible shown in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

Deductible

Unless stated otherwise, the applicable deductible shown in the Declarations shall be applied to each accidental loss covered under this Part of the policy. If loss to more than one of **your covered autos** or a **non-owned auto** results from the same loss, only the highest applicable deductible will apply.

B. “**Collision**” means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object. No deductible will apply if the **collision** is with another auto insured by a Safeco insurance company.

“**Comprehensive**” means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Losses caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with a bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

C. 1. “**Non-owned auto**” means:

- a. Any private passenger auto, pickup, van or **trailer** with a Gross Vehicle Weight Rating of 12,000 pounds or less not owned by or furnished or available for the regular use of you or any **family member** while in the custody of or being operated by you or any **family member**; or

- b. Any auto or **trailer** you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:

- (1) breakdown;
- (2) repair;
- (3) servicing;
- (4) loss; or
- (5) destruction.

2. “**Non-owned auto**” does not include any vehicle which has been operated or rented by or in the possession of an **insured** for 30 or more consecutive days.

D. “**Camper body**” means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

E. “**Diminution in value**” means the actual or perceived loss in market or resale value which results from a direct and accidental loss.

TRANSPORTATION EXPENSES

A. In addition we will pay, without application of a deductible, either of the following, whichever is greater:

1. Up to \$25 per day, to a maximum of \$750; or
2. The limit for Loss of Use, if any, shown in the Declarations.

B. For:

1. Temporary transportation expenses incurred by you in the event of the total theft of **your covered auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay for indirect loss expenses if the loss is caused by:

- a. a **comprehensive** loss only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
- b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

C. If the loss is caused by a total theft of a **non-owned auto**, we will pay only expenses incurred during the period:

1. Beginning 48 hours after the theft; and
 2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.
- D. If the loss is caused by other than a total theft of a **non-owned auto**, we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.
- E. Our payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Loss to any **non-owned auto** being maintained or used by any **insured** while that **insured** is employed or otherwise engaged in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
3. Damage or loss due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown or failure; or
 - d. road damage to tires.

This exclusion (3.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.
4. Damage or loss arising out of neglect. Neglect means your failure to adequately maintain **your covered auto** or **non-owned auto** after the loss.

With respect to water under Comprehensive Coverage, there is no coverage for:

 - a. moisture, condensation, humidity, or vapor;
 - b. water intrusion around or through panels, surfaces and seals; or
 - c. water that collects in spaces or ventilation systems; or
 - d. **fungi**, dry rot or bacteria;

resulting from neglect.
5. Loss due to or as a consequence of:
 - a. discharge of any nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
6. Loss from or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
7. Loss to:
 - a. any electronic equipment designed for the production or reproduction of sound, pictures, audio, visual or data or that receives or transmits sound, pictures or data signals.
 - b. This exclusion (7.) does not apply to:
 - (1) equipment designed for the reproduction of sound or transmission of sound, pictures, audio, visual or data signals and accessories used with such equipment, provided:
 - (a) the electronic equipment is permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**; or
 - (b) the electronic equipment is:
 - i. removable from a housing unit which is permanently installed by the original vehicle manufacturer or manufacturer's dealership in the auto;
 - ii. designed to be solely operated by use of the power from the auto's electrical system; and
 - iii. in or upon **your covered auto** or any **non-owned auto**;

at the time of loss.

However, we will pay only up to \$1,000 or the actual cash value

- of **your covered auto** or any **non-owned auto**, whichever is less, for such equipment that is not installed by the original vehicle manufacturer or manufacturer's dealership.
- (2) any other electronic equipment that is:
- (a) necessary for the normal operation of the auto or the monitoring of the auto's operating systems;
 - (b) an integral part of the same unit housing any electronic equipment described in 7.a. and permanently installed by the original vehicle manufacturer or manufacturer's dealership in **your covered auto** or any **non-owned auto**.
8. Loss to:
- a. tapes, records, discs, or other media used with such equipment described in exclusion (7.); or
 - b. any other accessories, not permanently installed used with such equipment described in exclusion (7.).
9. Loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:
- a. engaged in illegal activities; or
 - b. failed to comply with Environmental Protection Agency or Department of Transportation standards.
- This exclusion (9.) does not apply to the interests of Loss Payees in **your covered auto**.
10. Loss to a **camper body**, motorhome or **trailer** you own which is not shown in the Declarations. This exclusion (10.) does not apply to a **camper body**, motorhome or **trailer** you:
- a. acquire during the policy period; and
 - b. ask us to insure within 30 days after you become the owner.
11. Loss to any **non-owned auto** when used by you or any **family member** without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted.
12. Loss to equipment, whether operational or not, whose design may be used for the detection or location of law enforcement equipment.
13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
- a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;
- vehicles designed for use on public highways. This includes road testing and delivery.
14. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 2. and 13. This exclusion (14.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto or **trailer**.
15. Loss to **your covered auto** or any **non-owned auto** while it is:
- a. operating on a surface designed or used for racing. This does not apply to an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
16. Loss to, or loss of use of, a **non-owned auto** rented by:
- a. you; or
 - b. any **family member**;
- if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.
17. Loss to **your covered auto** or any **non-owned auto**, arising out of the actual,

alleged or threatened presence, growth, proliferation or spread of **fungi**, dry rot or bacteria.

18. Loss to your covered auto, non-owned auto, or trailer, for diminution in value.

19. Loss in excess of \$1,000 per claim or the actual cash value of your covered auto or any non-owned auto, whichever is less, for any furnishings or equipment that were not installed by the original vehicle manufacturer or manufacturer's dealership which mechanically or structurally changes your vehicle and results in increase in performance or change in appearance, including but not limited to:

- a. custom murals, paintings or other decals or graphics;
- b. custom wheels, tachometers, pressure and temperature gauges;
- c. modified or custom engines and fuel systems, light bars, racing slicks and/or oversized tires, roll bars and lift kits, winches, utility boxes, and tool boxes; or
- d. non-standard paint.

This exclusion does not apply to equipment installed to make a vehicle handicap accessible.

20. Loss arising out of the use of your covered auto while leased or rented to others.

LIMIT OF LIABILITY

A. At our option, our limit of liability for loss will be the lowest of:

1. The actual cash value of the stolen or damaged property;
2. a. The amount necessary to repair or replace the property;
- b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price

means prices charged by a majority of the repair market in the area where the vehicle is to be repaired as determined by us; or

3. The limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto**, which is a **trailer**, is \$1,500.

B. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of any betterment.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss.

In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
 2. Bear the expenses of the appraisal and umpire equally.
- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
 1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical examinations by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 4. Authorize us to obtain:
 - a. medical reports; and
 - b. other pertinent records.
5. Submit a proof of loss, under oath if requested, when required by us.
- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:
 1. Report the accident to the police or other civil authority within twenty-four (24) hours or as soon as practicable if a hit-and-run driver is involved.
 2. Promptly send us copies of the legal papers if a suit is brought.
- D. A person seeking Coverage for Damage to Your Auto must also:
 1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
 2. Promptly notify the police if **your covered auto** or any **non-owned auto** is stolen.
 3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
 1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. The policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:

1. The United States of America, its territories or possessions;
2. Puerto Rico; or
3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. Before the end of any policy period, we may offer to change the coverage provided in this policy.

Your payment of the premium billed by us for the next policy period will be your acceptance of our offer.

- B. This policy, your Declarations page and endorsements issued by us to this policy contain all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- C. The premium for each vehicle is based on information we have received from you or other sources. You agree to cooperate with us in determining if this information is correct and complete and you will notify us if it changes. If this information is incorrect, incomplete, or changes, we may adjust your premium or take other appropriate action based upon the corrected, completed or changed information. Changes during the policy term that may result in a premium increase or decrease include, but are not limited to, changes in:
 - 1. The number, type or use classification of insured vehicles.
 - 2. Operators using insured vehicles including newly licensed **family member** drivers. Any household members that have licenses must be disclosed to us.
 - 3. The location where your vehicle is principally garaged.
 - 4. The persons who regularly drive insured vehicles, including newly licensed **family members**.
 - 5. Customized equipment or parts.
- D. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (D.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:
 - 1. A subsequent edition of your policy; or
 - 2. An Amendatory Endorsement.
- E. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

PAYMENT OF PREMIUM

If your initial premium payment is by check, draft or any remittance other than cash, coverage under this policy is conditioned upon the check, draft or remittance being honored upon presentment to the bank or other financial institution. If the check, draft or remittance is not honored upon presentment, this policy may, at our option, be deemed void from its inception. This means that we will not be liable under

this policy for any claims or damages which would otherwise be covered if the check, draft, or remittance had been honored upon presentment.

FRAUD

This policy was issued in reliance upon the information provided on your application. We may void coverage under this policy if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, at the time application was made or any time during the policy period.

We may void this policy or deny coverage for an accident or loss if you or an **insured** have concealed or misrepresented any material fact or circumstance, or engaged in fraudulent conduct, in connection with the presentation or settlement of a claim.

We may void this policy or deny coverage for fraud or material misrepresentation even after the occurrence of an accident or loss. This means we will not be liable for any claims or damages which would otherwise be covered. If we make a payment, we may request that you reimburse us. If so requested, you must reimburse us for any payments we may have already made.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
 - 1. We agree in writing that the **insured** has a legal obligation to pay damages; or
 - 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the legal liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

- A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another person, entity or organization we shall be subrogated to that right. That person shall:
 - 1. Do whatever is necessary to enable us to exercise our rights; and
 - 2. Do nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with your express or implied permission or other person having lawful possession and is not using a vehicle beyond the scope of the permission granted.

- B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and

2. Reimburse us to the extent of our payment.

With respect to Uninsured/Underinsured Motorists Coverage and Property Damage Uninsured Motorists Coverage, we shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

C. 1. Our rights do not apply under paragraph A. with respect to Underinsured Motorists Coverage if:

a. We have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and

b. We fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

2. If we advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification:

a. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage; and

b. We also have a right to recover the advanced payment.

TERMINATION

A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:

a. returning this policy to us; or

b. giving us advance written or verbal notice of the date cancellation is to take effect. We may waive the requirement the notice be in writing by confirming the date and time of cancellation to you in writing.

2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:

a. at least 10 days notice:

(1) if cancellation is for nonpayment of premium; or

(2) if this policy has been in effect less than 60 days at the time notice of cancellation is mailed

and this is not a renewal policy; or

b. at least 30 days notice in all other cases.

3. After this policy is in effect for 60 days, or more, or if this is a renewal policy, we will cancel only:

a. for nonpayment of premium; or

b. if your driver's license or that of:

(1) any driver who lives with you; or

(2) any driver who customarily uses **your covered auto**;

has been suspended or revoked. This must have occurred:

(1) during the policy period; or

(2) since the last anniversary of the original effective date if the policy period is other than 1 year.

c. if you knowingly made a false statement on the application for this policy.

B. **Nonrenewal.** If we decide not to renew this policy, we will mail notice to the named insured shown in the Declarations at the address shown in this policy. Notice will be mailed at least 30 days before the end of the policy period.

C. **Automatic Termination.** If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

If you obtain other insurance on **your covered auto**, any similar insurance provided by this policy will terminate as to that auto on the effective date of the other insurance.

D. **Other Termination Provisions.**

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.

2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals.

However, making or offering to make the refund is not a condition of cancellation.

3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse, civil partner or domestic partner if resident in the same household at the time of death. Coverage applies to the spouse, civil partner or domestic partner as if a named insured shown in the Declarations; and
2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto. In no event shall the limit of liability of two or more motor vehicles or two or more policies issued to you by us, be added together, combined, or stacked to determine the limit of insurance coverage available to you or any **insured**.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after cancellation notice is received by the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

Where fraud, misrepresentation, material omission, or intentional damage has been committed by or at the direction of any **insured**, or where the loss is otherwise not covered under the terms of the policy, the loss payee or lienholder's interest will not be protected.

STORAGE COSTS

If you give us your consent, we may move the damaged property, at our expense, to reduce storage costs during the claims process. If you do not give us your consent, we will pay only the storage costs which would have resulted if we had moved the damaged property.

NAMED DRIVER EXCLUSION

If there is an excluded driver under this policy, then we will not provide coverage for any claim arising from an accident or loss involving a **motor vehicle** being operated by that excluded person. This includes any claim for damages made against you or any **family member** or any other person or organization that is vicariously liable for an accident arising out of the operation of a motor vehicle by the excluded driver.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE**INSURING AGREEMENT**

A. We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.

B. **Property damage** as used under this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:

1. Loss of use of **your covered auto**; or
2. Damage to property owned by you while contained in **your covered auto**.

C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:

1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident, but its limit for property damage liability is less than the **minimum limit** for property damage liability specified by the Colorado financial responsibility law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits **your covered auto**.
4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or

- b. is or becomes insolvent.

However, “**uninsured motor vehicle**” does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for **property damage**:
 1. To any **motor vehicle** owned by you which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. If you or your legal representative settles the **property damage** claim without our consent.
 3. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.3.) does not apply to a share-the expense car pool.
 4. While maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** of delivery, including but not limited to delivery of newspapers or magazines, food, or any other products unless such use is incidental to your **business** of installing, maintaining or repairing furnishings or equipment or for farming or ranching.
 5. While using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to you or any **family member** using **your covered auto**.
 6. To any **motor vehicle** owned by you for which you have purchased Collision Coverage under this policy or any other policy.
 7. While using any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is

not a speed, performance, stunt or demolition event:

- b. participating in a high performance driving or racing instruction course or school; or
- c. preparing for, practicing for, used in or competing in any spontaneous, prearranged, or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

- B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.

- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. Our limit of liability will be the lesser of:
 1. The **actual cash value of your covered auto**; or
 2. The amount necessary to repair or replace **your covered auto**.

This is the most we will pay, regardless of the number of:

 1. Claims made;
 2. Vehicles or premiums shown in the Declarations; or
 3. Vehicles involved in the accident.
- B. At our option, our limit of liability for loss will be the lowest of:
 1. The actual cash value of the stolen or damaged property;
 2. a. The amount necessary to repair or replace the property;
 - b. Determination of the cost of repair or replacement will be based upon one of the following:
 - (1) the cost of repair or replacement agreed upon by you and us;
 - (2) a competitive bid approved by us; or
 - (3) an estimate written based upon the prevailing competitive price. You agree with us that we may include in the estimate parts furnished by the original vehicle manufacturer or parts from other sources including non-original equipment manufacturers. The prevailing competitive price means prices charged by a majority of the repair market in

the area where the vehicle is to be repaired as determined by us.

- C. An adjustment for depreciation and physical condition may be made based upon the physical condition and wear and tear of the property or damaged part of the property at the time of the loss. This adjustment for physical condition includes but is not limited to, broken, cracked or missing parts, rust, dents, scrapes, gouges and paint condition. When replacing parts normally subject to repair or replacement during the useful life of the vehicle, we will not pay for the amount of the any betterment.
- D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.
- E. Any amounts otherwise payable for damages under this coverage shall be reduced by the amount of the deductible applicable to **your covered auto**, if any, indicated in the Declarations for this coverage.

OTHER INSURANCE

If there is other applicable similar insurance available any insurance we provide shall be excess over any other applicable similar insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible similar insurance.

ARBITRATION

- A. If we and an **insured** do not agree:
 - 1. Whether that **insured** is legally entitled to recover damages under this coverage; or
 - 2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this coverage may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

- B. Each party will:
 - 1. Pay the expenses it incurs; and
 - 2. Bear the expenses of the third arbitrator equally.
- C. Unless both parties agree otherwise, arbitration will take place in the county in which you live. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

- 1. Whether you are legally entitled to recover damages; and
- 2. The amount of damages.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

- 1. Promptly notify the police if a hit-and-run driver is involved.
- 2. Promptly send us copies of the legal papers if a suit is brought.

TOWING AND LABOR COSTS COVERAGE

- A. We will pay reasonable expenses incurred each time **your covered auto** or a **non-owned auto** is disabled, for:
 - 1. Towing to the nearest place where necessary repairs can be made during regular **business** hours;
 - 2. Towing to dislodge the vehicle from its place of disablement if on or next to a public street or highway;
 - 3. Mechanical labor up to one hour at the place of its breakdown, including change of tire;
 - 4. Delivery of gasoline, oil or loaned battery. We do not pay the cost of these items.
- B. We will pay for key lock-out services and labor costs incurred at the location of **your covered auto** or **non-owned auto**, but not exceeding \$50 for services provided.

No deductible applies to this coverage.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D — Coverage for Damage to Your Auto also apply to this coverage except as changed below:

When there is a loss to any vehicle described in the Declarations for which a specific premium charge indicates that Loss of Use Coverage is afforded, we will reimburse you for expenses you incur to rent a substitute vehicle.

This coverage applies only if:

- 1. The vehicle is withdrawn from use for more than 24 hours;
- 2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
- 3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the vehicle.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the vehicle.

Our payment will be limited to that period of time reasonably required to repair or replace the vehicle.

We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.

No deductible applies to this coverage.



COLORADO PERSONAL AUTO POLICY

SAFECO INSURANCE COMPANY OF AMERICA
 GENERAL INSURANCE COMPANY OF AMERICA
 Home Office: 4333 Brooklyn Ave. N.E., Seattle, Washington 98185
 SAFECO INSURANCE COMPANY OF ILLINOIS
 Home Office: 2800 W. Higgins Rd., Suite 1100, Hoffman Estates, Illinois 60195
 (Each a stock insurance company.)

READY REFERENCE TO YOUR AUTOMOBILE POLICY

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AGREEMENT

In return for payment of the premium and subject to all the terms of this policy, we agree with you as follows:

DEFINITIONS

A. Throughout this policy "you" and "your" refer to:

1. The "named insured" shown in the Declarations; and
2. The spouse if a resident of the same household.

B. "We," "us" and "our" refer to the Company providing this insurance.

C. For purposes of this policy, a private passenger type auto shall be deemed to be owned by a person if leased:

1. Under a written agreement to that person; and
2. For a continuous period of at least 6 months.

Other words and phrases are defined. They are in bold type when used.

D. "**Bodily injury**" means bodily harm, sickness or disease, including death that results.

E. "**Business**" includes trade, profession or occupation.

F. "**Family member**" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.

G. "**Occupying**" means in; upon; or getting in, on, out or off.

H. "**Property damage**" means physical injury to, destruction of or loss of use of tangible property.

I. "**Punitive or exemplary damages**" includes damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.

J. "**Trailer**" means a vehicle designed to be pulled by a:

1. Private passenger auto; or

2. Pickup or van.

It also means a recreational camping vehicle, farm wagon or farm implement while towed by a vehicle listed in 1. or 2. above.

K. "**Your covered auto**" means:

1. Any vehicle shown in the Declarations.

2. Any of the following types of vehicles on the date you become the owner whether operational or not:

a. a private passenger auto; or

b. a pickup or van that:

(1) has a Gross Vehicle Weight of less than 10,000 lbs.; and

(2) is not used for the delivery or transportation of goods and materials unless such use is:

(a) incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or

(b) for farming or ranching.

This provision (K.2.) applies only if:

a. you acquire the vehicle during the policy period; and

b. you ask us to insure the newly acquired vehicle within 30 days after you become the owner.

If the vehicle you acquire replaces one shown in the Declarations, it will have the same coverage as the vehicle it replaced until the end of the policy period in which it was acquired. However, you must ask us to insure a replacement vehicle within 30 days only if you wish to add or continue Coverage for Damage to Your Auto.

If the vehicle you acquire is in addition to any shown in the Declarations, it will have the broadest coverage we now provide for any vehicle shown in the Declarations, provided we insure all vehicles you own and there is no other insurance on this additionally acquired auto.

3. Any **trailer** you own.

4. Any auto you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. breakdown;
- b. repair;

- c. servicing;
- d. loss; or
- e. destruction.

This provision (K.4.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A. We will pay damages for **bodily injury** or **property damage** for which any **insured** becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted. We have no duty to defend any suit or settle any claim for **bodily injury** or **property damage** not covered under this policy.

- B. "Insured" as used in this Part means:

- 1. You or any **family member** for the ownership, maintenance or use of any auto or trailer.
- 2. Any person using **your covered auto**.
- 3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under 1. and 2. above.
- 4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (B.4.) applies only if the person or organization does not own or hire the auto or trailer.

SUPPLEMENTAL PAYMENTS

In addition to our limit of liability, we will pay on behalf of an **insured**:

- 1. Up to \$250 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
- 2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.

- 3. Interest on that part of the judgment we pay, accruing after a judgment is entered in any suit we defend. Our duty to pay interest ends when we offer to pay that part of the judgment which does not exceed our limit of liability for this coverage.

- 4. Up to \$50 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.

- 5. Other reasonable expenses incurred at our request.

EXCLUSIONS

- A. We do not provide Liability Coverage for any **insured**:

- 1. Who intentionally causes **bodily injury** or **property damage**.
- 2. For **property damage** to property owned or being transported by that **insured**.
- 3. For **property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 that **insured**.

This exclusion (A.3.) does not apply to **property damage** to a residence or private garage.

- 4. For **bodily injury** to an employee of that **insured** during the course of employment. This exclusion (A.4.) does not apply to **bodily injury** to a domestic employee unless workers' compensation benefits are required or available for that domestic employee.
- 5. For that **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (A.5.) does not apply to a share-the-expense car pool.
- 6. While employed or otherwise engaged in the **business** of:
 - a. selling;

- b. repairing;
- c. servicing;
- d. storing; or
- e. parking;

vehicles designed for use mainly on public highways. This includes road testing and delivery. This exclusion (A.6.) does not apply to the ownership, maintenance or use of **your covered auto** by:

- a. you;
- b. any **family member**; or
- c. any partner, agent or employee of you or any **family member**.

7. Maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusion A.6.

This exclusion (A.7.) does not apply to the maintenance or use of a:

- a. private passenger auto;
- b. pickup or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
- c. **trailer** used with a vehicle described in a. or b. above.

8. Who is using an auto without either the permission of the owner or other person having lawful possession, or beyond the scope of permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.

9. For **bodily injury** or **property damage** for which that **insured**:

- a. is an insured under a nuclear energy liability policy; or
- b. would be an insured under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.

A nuclear energy liability policy is a policy issued by any of the following or their successors:

- a. American Nuclear Insurers;
- b. Mutual Atomic Energy Liability Underwriters; or
- c. Nuclear Insurance Association of Canada.

10. For **punitive or exemplary damages** awarded or assessed against an **insured**.

- B. We do not provide Liability Coverage for the ownership, maintenance or use of:

1. Any vehicle which:

- a. has fewer than four wheels; or
- b. is designed mainly for use off public roads.

This exclusion does not apply:

- a. while such vehicle is being used by an **insured** in a medical emergency; or
- b. to any **trailer**.

2. Any vehicle, other than **your covered auto**, which is:

- a. owned by you; or
- b. furnished or available for your regular use.

3. Any vehicle, other than **your covered auto**, which is:

- a. owned by any **family member**; or
- b. furnished or available for the regular use of any **family member**.

However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:

- a. owned by a **family member**; or
- b. furnished or available for the regular use of a **family member**.

4. Any vehicle while used in or preparing for, any prearranged or organized race, speed contest or performance contest.

- C. We do not provide Liability Coverage for any **family member**, or **family member's** spouse, who owns an auto when not using or **occupying your covered auto**.

- D. We do not provide Liability Coverage for you or any **family member** for **bodily injury** to any **family member**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations, for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person", the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for "each accident" for Property Damage Liability is our maximum limit of liability for all **property damage** resulting from any one auto accident.

This is the most we will pay regardless of the number of:

1. Insureds;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

- B. If the Declarations indicate **Combined Single Limit** applies:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. Insureds;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate limits required by law for bodily injury and property damage liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required minimum amounts and types of coverage.
- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required.

OTHER INSURANCE

If there is other applicable liability insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible insurance providing coverage on a primary basis.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.
 - b. if any loss remains and there:
 - (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
 - (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

A. We will pay usual and customary charges incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within 3 years from the date of the accident.

B. "Insured" as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian when struck by;

a motor vehicle designed for use mainly on public roads or a trailer of any type.
2. Any other person while **occupying your covered auto**.

EXCLUSIONS

A. We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.
2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle located for use as a residence or premises.
4. Occurring during the course of employment if workers' compensation benefits are required or available for the **bodily injury**.
5. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
6. Sustained while **occupying**, or when struck by any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member**; or
 - b. furnished or available for the regular use of any **family member**.

However, this exclusion (6.) does not apply to you.

7. Sustained while using an auto either without the permission of the owner or other person having lawful possession, or beyond the scope of permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.

8. Sustained while **occupying** a vehicle when it is being used in the **business** or occupation of an **insured**. This exclusion (8.) does not apply to **bodily injury** sustained while **occupying** a:

- a. private passenger auto;
- b. pickup or van that you own; or
- c. **trailer** used with a vehicle described in a. or b. above.

9. Caused by or as a consequence of:

- a. discharge of a nuclear weapon (even if accidental);
- b. war (declared or undeclared);
- c. civil war;
- d. insurrection; or
- e. rebellion or revolution.

10. From or as a consequence of the following, whether controlled or uncontrolled or however caused:

- a. nuclear reaction;
- b. radiation; or
- c. radioactive contamination.

11. Sustained while **occupying** a vehicle when it is being used in or preparing for, any prearranged or organized race, speed contest or performance contest.

B. We do not provide Medical Payments Coverage for any **family member**, or **family member's** spouse, who owns an auto when not using or **occupying your covered auto**.

LIMIT OF LIABILITY

A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part C of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance:

1. Any insurance we provide for a vehicle you do not own shall be excess over any other collectible auto insurance providing payments for medical or funeral expenses.
2. The loss will be paid in accordance with the following procedure:
 - a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until

the policy with the lowest limit of liability is exhausted.

- b. if any loss remains and there:

- (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.
- (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

If any applicable insurance other than this policy is issued to you by us or any other member of the Safeco group of companies, the total amount payable among all such policies shall not exceed the limits provided by the single policy with the highest limits of liability.

PART C — UNINSURED/UNDERINSURED

MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which an **insured** is legally entitled to recover from the owner or operator of an **uninsured motor vehicle** or **underinsured motor vehicle** because of **bodily injury**:

1. Sustained by an **insured**; and
2. Caused by an accident.

The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle** or **underinsured motor vehicle**.

We will pay under Underinsured Motorists Coverage only if 1. or 2. below applies:

1. The limits of liability under any applicable bodily injury liability bonds or policies have been exhausted by payment of judgment or settlements; or
2. A tentative settlement has been made between an **insured** and the insurer of the **underinsured motor vehicle** and we:
 - a. have been given prompt written notice of such tentative settlement; and
 - b. advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**.
2. Any other person **occupying your covered auto**.

3. Any person for damages that person is entitled to recover because of **bodily injury** to which this coverage applies sustained by a person described in 1. or 2. above.

- C. "**Uninsured motor vehicle**" means a land motor vehicle or trailer of any type:

1. To which no bodily injury liability bond or policy applies at the time of the accident.
2. To which a bodily injury liability bond or policy applies at the time of the accident if its limit for bodily injury liability is less than the minimum limit for bodily injury liability specified by the Colorado financial responsibility law.
3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits or which causes an accident resulting in **bodily injury** without hitting:
 - a. you or any **family member**;
 - b. a vehicle which you or any **family member** are **occupying**; or
 - c. **your covered auto**.

If there is no physical contact with the hit-and-run vehicle the facts of the accident must be proved. We will only accept competent evidence other than the testimony of a person making a claim under this or any similar coverage.

4. To which a bodily injury liability bond or policy applies at the time of the accident but the bonding or insurance company:
 - a. denies coverage; or

b. is or becomes insolvent.

However, “**uninsured motor vehicle**” does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member** unless it is a vehicle to which Part A of the policy applies and liability coverage is excluded for damages sustained in the accident.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.
3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

D. “**Underinsured motor vehicle**” means a motor vehicle, the ownership, maintenance or use of which is insured or bonded for bodily injury at the time of the accident, but the limits of liability for bodily injury under such insurance or bonds are:

1. Less than the limits for this coverage under the **insured’s** policy; or
2. Reduced by payments to persons other than an **insured** in the accident to less than the limits of Uninsured/Underinsured Motorists Coverage under the **insured’s** policy.

However, “**underinsured motor vehicle**” does not include any vehicle or equipment:

1. Which is an **uninsured motor vehicle**;
2. Owned by or furnished for the regular use of you or any **family member** unless it is a vehicle to which Part A of the policy applies and liability coverage is excluded for damages sustained in the accident;
3. Owned by any governmental unit or agency;
4. Operated on rails or crawler treads;
5. Designed mainly for use off public roads while not on public roads;
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained:
1. By an **insured** while **occupying**, or when struck by, any motor vehicle owned by that **insured** which is not insured for this

coverage under this policy. This includes a **trailer** of any type used with that vehicle.

2. By any **family member** while **occupying**, or when struck by, any motor vehicle you own which is insured for this coverage on a primary basis under any other policy.

B. We do not provide Uninsured Motorists Coverage for **bodily injury** sustained by any **insured**:

1. If that **insured** or the legal representative settles the **bodily injury** claim without our consent. However, this exclusion (B.1.) does not apply to a settlement made with an insurer of an **underinsured motor vehicle**.
2. While **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (B.2.) does not apply to a share-the-expense car pool.
3. Using an auto without either the permission of the owner or other person having lawful possession, or beyond the scope of permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.
4. While operating or **occupying** a motorcycle, motor driven cycle or moped.

C. This coverage shall not apply directly or indirectly to benefit any insurer or self-insurer under any of the following or similar law:

1. Workers’ compensation law; or
2. Disability benefits law.

D. We do not provide Uninsured/Underinsured Motorists Coverage for **bodily injury** sustained by a **family member**, or **family member’s** spouse, who owns an auto when not using or **occupying your covered auto**.

E. We do not provide Uninsured/Underinsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for “each person” for Uninsured/Underinsured Motorists Coverage is our maximum limit of liability for all damages including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one accident.

Subject to this limit for “each person,” the limit of liability shown in the Declarations for each accident for Uninsured/Underinsured Motorists Coverages is our maximum limit of liability for all damages for **bodily injury** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. Insureds;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the accident.

In no event shall the limit of liability for two or more motor vehicles or two or more policies be added together, combined, or stacked to determine the limit of insurance coverage available to injured persons.

If the accident involves a **non-owned auto**, Uninsured/Underinsured Motorists Coverage is available to the extent of coverage of any one of **your covered autos**.

The limit for Underinsured Motorists Coverage shown in the Declarations for the vehicle involved in the accident shall be reduced by the sum of the limits of liability under all bodily injury liability bonds or policies (other than this policy) applicable at the time of the accident.

B. The limit of liability shall be reduced by all sums:

1. Paid because of the **bodily injury** by or on behalf of persons or organizations who may be legally responsible. This includes all sums paid under Part A; and
2. Paid or payable because of the **bodily injury** under any workers' compensation or similar law.

C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part A or Part B of this policy.

D. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

E. We will not pay for any element of loss if a person is entitled to receive payment for the same element of loss under any of the following or similar law:

1. Workers' compensation law; or
2. Disability benefits law.

OTHER INSURANCE

If there is other applicable insurance available under one or more policies or provisions of coverage:

1. Any recovery for damages under all such policies or provisions of coverage may be

equal but not exceed the highest applicable limit for any one vehicle under any insurance providing coverage on either a primary or excess basis.

2. Any insurance we provide with respect to a vehicle you do not own shall be excess over any collectible insurance providing coverage on a primary basis.

3. The loss will be paid in accordance with the following procedure:

- a. all applicable policies will pay on an equal basis with all other policies providing coverage on the same level of priority, either primary or excess, until the policy with the lowest limit of liability is exhausted.

- b. if any loss remains and there:

- (1) are two or more remaining policies whose applicable limits of liability have not been exhausted, then such policies will continue to pay in accordance with Paragraph a.

- (2) is one policy remaining, then such policy will continue to pay until its limit of liability has been exhausted.

4. Underinsured Motorists Coverage shall be excess over all bodily injury liability bonds or policies applicable at the time of the accident.

ARBITRATION

A. If we and an insured do not agree:

1. Whether that person is legally entitled to recover damages under this Part; or
2. As to the amount of damages recoverable by that insured;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this Part may not be arbitrated.

Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Each party will:

1. Pay the expenses it incurs, and
2. Bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which the insured lives. Local rules of law as to procedure

and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

ADDITIONAL DUTIES

A person seeking Underinsured Motorists Coverage must also promptly:

1. Send us copies of the legal papers if a suit is brought; and

2. Notify us in writing of a tentative settlement between the **insured** and the insurer of the **underinsured motor vehicle** and allow us 30 days to advance payment to that **insured** in an amount equal to the tentative settlement to preserve our rights against the insurer, owner or operator of such **underinsured motor vehicle**.

PART D — COVERAGE FOR DAMAGE TO YOUR AUTO

INSURING AGREEMENT

A. We will pay for direct and accidental loss to **your covered auto** or any **non-owned auto** including its equipment, minus any applicable deductible stated in the Declarations. We will pay for loss to **your covered auto** caused by:

1. Other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. **Collision** only if the Declarations indicate that Collision Coverage is provided for that auto.

If there is a loss to a **non-owned auto**, we will provide the broadest coverage applicable to any vehicle shown in the Declarations.

B. "**Collision**" means the upset of **your covered auto** or a **non-owned auto** or its impact with another vehicle or object.

"**Comprehensive**" means loss, other than **collision**, to **your covered auto** or a **non-owned auto**. Loss caused by the following are not **collision** losses but are **comprehensive** losses:

Loss caused by missiles or falling objects; fire; theft or larceny; explosion or earthquake; windstorm; hail, water or flood; malicious mischief or vandalism; riot or civil commotion; contact with bird or animal; or breakage of glass.

If breakage of glass is caused by a **collision**, you may elect to have it considered a loss caused by **collision**.

C. "**Camper body**" means a body equipped as sleeping or living quarters which is designed to be mounted on a pickup.

D. "**Non-Owned Auto**" means:

1. Any private passenger auto, pickup or van not owned by or furnished or available for the regular use of you or any **family**

member while in the custody of or being operated by you or any **family member**; or

2. Any auto you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - a. breakdown;
 - b. repair;
 - c. servicing;
 - d. loss; or
 - e. destruction.

TRANSPORTATION EXPENSES

In addition we will pay, without application of a deductible, either of the following, whichever is greater:

1. Up to \$22 per day, to a maximum of \$660; or
2. The limit for Loss of Use, if any, shown on the Declarations;

For:

1. Temporary transportation expenses incurred by you in the event of a total theft of **your covered auto**. We will pay for such expenses only if the Declarations indicate that Comprehensive Coverage is provided for that auto.
2. Indirect loss expenses for which you become legally responsible in the event of a loss to a **non-owned auto**. We will pay for indirect loss expenses if the loss is caused by:
 - a. other than **collision** only if the Declarations indicate that Comprehensive Coverage is provided for any **your covered auto**.
 - b. **collision** only if the Declarations indicate that Collision Coverage is provided for any **your covered auto**.

If the loss is caused by a total theft of **your covered auto** or a **non-owned auto**, we will pay only expenses incurred during the period:

1. Beginning 48 hours after the theft; and
2. Ending when **your covered auto** or the **non-owned auto** is returned to use or we pay for its loss.

If the loss is caused by other than a total theft of a **non-owned auto**, we will pay only expenses beginning when the auto is withdrawn from use for more than 24 hours.

Our payment will be limited to that period of time reasonably required to repair or replace **your covered auto** or the **non-owned auto**.

EXCLUSIONS

We will not pay for:

1. Loss to **your covered auto** or any **non-owned auto** which occurs while it is being used as a public or livery conveyance. This exclusion (1.) does not apply to a share-the-expense car pool.
2. Damage due and confined to:
 - a. wear and tear;
 - b. freezing;
 - c. mechanical or electrical breakdown, or failure; or
 - d. road damage to tires.

This exclusion (2.) does not apply if the damage results from the total theft of **your covered auto** or any **non-owned auto**.
3. Loss due to or as a consequence of:
 - a. radioactive contamination;
 - b. discharge of any nuclear weapon (even if accidental);
 - c. war (declared or undeclared);
 - d. civil war;
 - e. insurrection; or
 - f. rebellion or revolution.

4. Loss to non-factory or non-dealer installed equipment, parts and accessories, other than electronic equipment in **your covered auto**, in excess of \$500 per claim.

5. Loss to **your covered auto** of:
 - a. any electronic equipment designed for the reproduction of sound, including, but not limited to:
 - (1) radios and stereos;

(2) tape decks; or

(3) compact disc players;

- b. any other electronic equipment that receives or transmits audio, visual, or data signals, including, but not limited to:

(1) citizens band radios;

(2) telephones;

(3) two-way mobile radios;

(4) scanning monitor receivers;

(5) television monitor receivers;

(6) video cassette recorders;

(7) audio cassette recorders; or

(8) personal computers;

- c. tapes, records, discs, or other media used with equipment described in a. or b.; or

- d. any other accessories used with equipment described in a. or b.

This exclusion (5.) does not apply to:

- a. equipment designed solely for the reproduction of sound and accessories used with such equipment, provided such equipment is permanently installed in **your covered auto** or **non-owned auto**. However, we will only pay up to \$500 for such equipment that is non-factory or non-dealer installed; or
- b. any other electronic equipment that is necessary for the normal operation of the auto or the monitoring of the auto's operating systems.

6. Total loss to **your covered auto** or any **non-owned auto** due to destruction or confiscation by governmental or civil authorities because you or any **family member**:

a. engaged in illegal activities; or

b. failed to comply with Environmental Protection Agency or Department of Transportation standards.

This exclusion (6.) does not apply to the interests of Loss Payees in **your covered auto**.

7. Loss to a camper body or **trailer** you own which is not shown in the Declarations. This exclusion (7.) does not apply to a camper body or **trailer** you:

a. acquire during the policy period; and

b. ask us to insure within 30 days after you become the owner.

8. Loss to equipment designed or used for the detection or location of radar or laser.
9. Loss to **your covered auto** or **non-owned auto** while used in or preparing for, any prearranged or organized race, speed contest or performance contest.
10. Loss due to conversion, embezzlement or secretion by any person in lawful possession of **your covered auto** or **non-owned auto**.
11. Loss to any **non-owned auto** when used by you or a **family member** without the permission of the owner or person in lawful possession.
12. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in the **business** of:
 - a. selling;
 - b. repairing;
 - c. servicing;
 - d. storing; or
 - e. parking;
13. Loss to any **non-owned auto** being maintained or used by any person while employed or otherwise engaged in any **business** not described in exclusion 12. This exclusion (13.) does not apply to the maintenance or use by you or any **family member** of a **non-owned auto** which is a private passenger auto.
14. Loss to any **non-owned auto** when used by a **family member**, or **family member's** spouse, who owns an auto not insured under this policy.
15. Loss to, or loss of use of, a **non-owned auto** rented by:
 - a. you; or
 - b. any **family member**;

if a rental vehicle company is precluded from recovering such loss or loss of use, from you or that **family member**, pursuant to the provisions of any applicable rental agreement or state law.

LIMIT OF LIABILITY

- A. Our limit of liability for loss will be the lesser of the:
 1. Actual cash value of the stolen or damaged property;

2. Amount necessary to repair or replace the property; or

3. Limit of liability shown in the Declarations.

However, the most we will pay for loss to any **non-owned auto** which is a trailer is \$1,000.

- B. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of loss.

PAYMENT OF LOSS

We may pay for loss in money or repair or replace the damaged or stolen property. We may, at our expense, return any stolen property to:

1. You; or
2. The address shown in this policy.

If we return stolen property we will pay for any damage resulting from the theft. We may keep all or part of the property at an agreed or appraised value.

If we pay for loss in money, our payment will include the applicable sales tax for the damaged or stolen property.

NO BENEFIT TO BAILEE

This insurance shall not directly or indirectly benefit any carrier or other bailee for hire.

OTHER SOURCES OF RECOVERY

If other sources of recovery also cover the loss, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits. However, any insurance we provide with respect to a **non-owned auto** shall be excess over any other collectible source of recovery including, but not limited to:

1. Any coverage provided by the owner of the **non-owned auto**;
2. Any other applicable physical damage insurance;
3. Any other source of recovery applicable to the loss.

APPRAISAL

- A. If we and you do not agree on the amount of loss, either may demand an appraisal of the loss. In this event, each party will select a competent appraiser. The two appraisers will select an umpire. The appraisers will state separately the actual cash value and the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and

2. Bear the expenses of the appraisal and umpire equally.

- B. We do not waive any of our rights under this policy by agreeing to an appraisal.

PART E — DUTIES AFTER AN ACCIDENT OR LOSS

We have no duty to provide coverage under this policy if the failure to comply with the following duties is prejudicial to us:

- A. We must be notified promptly of how, when and where the accident or loss happened. Notice should also include the names and addresses of any injured persons and of any witnesses.
- B. A person seeking any coverage must:
1. Cooperate with us in the investigation, settlement or defense of any claim or suit.
 2. Promptly send us copies of any notices or legal papers received in connection with the accident or loss.
 3. Submit, as often as we reasonably require:
 - a. to physical exams by physicians we select. We will pay for these exams.
 - b. to examination under oath and subscribe the same. We may examine any **insured** separately and apart from the presence of any other **insured**.
 4. Authorize us to obtain:
 - a. medical reports; and

b. other pertinent records.

5. Submit a proof of loss, under oath if requested, when required by us.

- C. A person seeking Uninsured/Underinsured Motorists Coverage must also:

1. Promptly notify the police if a hit-and-run driver is involved.
2. Promptly send us copies of the legal papers if a suit is brought.

- D. A person seeking Coverage for Damage to Your Auto must also:

1. Take reasonable steps after loss to protect **your covered auto** or any **non-owned auto** and its equipment from further loss. We will pay reasonable expenses incurred to do this.
2. Promptly notify the police if **your covered auto** is stolen.
3. Permit us to inspect and appraise the damaged property before its repair or disposal.

PART F — GENERAL PROVISIONS

POLICY PERIOD AND TERRITORY

- A. This policy applies only to accidents and losses which occur:
1. During the policy period as shown in the Declarations; and
 2. Within the policy territory.
- B. The policy period is the period stated in the Declarations. This policy may be renewed for successive policy periods if the required premium is paid and accepted by us on or before the expiration of the current policy period. The premium will be computed at our then current rate for coverage then offered.
- C. The policy territory is:
1. The United States of America, its territories or possessions;
 2. Puerto Rico; or
 3. Canada.

This policy also applies to loss to, or accidents involving, **your covered auto** while being transported between their ports.

BANKRUPTCY

Bankruptcy or insolvency of the **insured** shall not relieve us of any obligations under this policy.

CHANGES

- A. Before the end of any policy period, we may offer to change the coverage provided in this policy. Your payment of the premium billed by us for the next policy period will be your acceptance of our offer.
- B. This policy contains all the agreements between you and us. Its terms may not be changed or waived except by endorsement issued by us.
- C. If there is a change to the information used to develop the policy premium, we may adjust your premium. Changes during the policy term

that may result in a premium increase or decrease include, but are not limited to, changes in:

1. The number, type or use classification of insured vehicles;
2. Operators using insured vehicles;
3. The place of principal garaging of insured vehicles;
4. Coverage, deductible or limits.

If a change resulting from B. or C. requires a premium adjustment, we will make the premium adjustment in accordance with our manual rules.

D. If we make a change which broadens coverage under this edition of your policy without additional premium charge, that change will automatically apply to your policy as of the date we implement the change in your state. This paragraph (D.) does not apply to changes implemented with a general program revision that includes both broadenings and restrictions in coverage, whether that general program revision is implemented through introduction of:

1. A subsequent edition of your policy; or
2. An Amendatory Endorsement.

E. Additional or return premium of \$3.00 or less resulting from policy changes will be waived.

FRAUD

We do not provide coverage for any **insured** who has made fraudulent statements or engaged in fraudulent conduct in connection with any accident or loss for which coverage is sought under this policy.

LEGAL ACTION AGAINST US

- A. No legal action may be brought against us until there has been full compliance with all the terms of this policy. In addition, under Part A, no legal action may be brought against us until:
1. We agree in writing that the **insured** has an obligation to pay; or
 2. The amount of that obligation has been finally determined by judgment after trial.
- B. No person or organization has any right under this policy to bring us into any action to determine the liability of an **insured**.

OUR RIGHT TO RECOVER PAYMENT

A. If we make a payment under this policy and the person to or for whom payment was made has a right to recover damages from another we shall be subrogated to that right. That person shall do:

1. Whatever is necessary to enable us to exercise our rights; and
2. Nothing after loss to prejudice them.

However, our rights in this paragraph (A.) do not apply under Part D, against any person using **your covered auto** with a reasonable belief that that person has permission to do so.

B. If we make a payment under this policy and the person to or for whom payment is made recovers damages from another, that person shall:

1. Hold in trust for us the proceeds of the recovery; and
2. Reimburse us to the extent of our payment.

With respect to Uninsured/Underinsured Motorists Coverage and Property Damage Uninsured Motorists Coverage, we shall be entitled to a recovery under Paragraph A. or B. only after the person has been fully compensated for damages.

C. Our rights do not apply under Paragraph A. with respect to Underinsured Motorists Coverage if we:

1. Have been given prompt written notice of a tentative settlement between an **insured** and the insurer of an **underinsured motor vehicle**; and
2. Fail to advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification.

If we advance payment to the **insured** in an amount equal to the tentative settlement within 30 days after receipt of notification:

1. That payment will be separate from any amount the **insured** is entitled to recover under the provisions of Underinsured Motorists Coverage; and
2. We also have a right to recover the advanced payment.

TERMINATION

A. **Cancellation.** This policy may be canceled during the policy period as follows:

1. The named insured shown in the Declarations may cancel by:
 - a. returning this policy to us; or
 - b. giving us advance written notice of the date cancellation is to take effect.

2. We may cancel by mailing to the named insured shown in the Declarations at the address shown in this policy:

- a. at least 10 days notice:

- (1) if cancellation is for nonpayment of premium; or
 - (2) if this policy has been in effect less than 60 days at the time notice of cancellation is mailed and this is not a renewal policy; or

- b. at least 30 days notice in all other cases.

3. After this policy is in effect for 60 days or more, or if this is a renewal policy, we will cancel only:

- a. for nonpayment of premium; or

- b. if your driver's license or that of:

- (1) any driver who lives with you; or
 - (2) any driver who customarily uses **your covered auto**;

has been suspended or revoked. This must have occurred:

- (1) during the policy period; or
 - (2) since the last anniversary of the original effective date if the policy period is other than 1 year.

However, the Paragraph (b.) shall not apply to a driver's license that has been revoked due to conviction for defacing property, or criminal mischief where the underlying basis was defacing property; or

- c. if you knowingly made a false statement on the application for this policy.

- B. **Nonrenewal.** If we decide not to renew this policy we will mail notice to you at the address stated in this policy at least 30 days before the end of the policy period.

- C. **Automatic Termination.** If we offer to renew and you or your representative do not accept, this policy will automatically terminate at the end of the current policy period. Failure to pay the required renewal premium when due shall mean that you have not accepted our offer.

We are not required to renew this policy if other coverage acceptable to you is obtained before the end of the current policy period.

D. Other Termination Provisions.

1. We may deliver any notice instead of mailing it. Proof of mailing of any notice shall be sufficient proof of notice.
2. If this policy is canceled, you may be entitled to a premium refund. If so, we will send you the refund. The premium refund, if any, will be computed according to our manuals. However, making or offering to make the refund is not a condition of cancellation.
3. The effective date of cancellation stated in the notice shall become the end of the policy period.

TRANSFER OF YOUR INTEREST IN THIS POLICY

- A. Your rights and duties under this policy may not be assigned without our written consent. However, if a named insured shown in the Declarations dies, coverage will be provided for:

1. The surviving spouse if resident in the same household at the time of death. Coverage applies to the spouse as if a named insured shown in the Declarations; and
 2. The legal representative of the deceased person as if a named insured shown in the Declarations. This applies only with respect to the representative's legal responsibility to maintain or use **your covered auto**.

- B. Coverage will only be provided until the end of the policy period.

TWO OR MORE AUTOS INSURED; TWO OR MORE AUTO POLICIES

If this policy insures two or more autos or if any other auto insurance policy issued to you by us applies to the same accident, the maximum limit of our liability shall not exceed the highest limit applicable to any one auto.

LOSS PAYABLE CLAUSE

As to the interest of the loss payee, this policy will remain in effect from the inception date and until ten days after cancellation notice is received by the loss payee. When we pay the loss payee we shall, to the extent of payment, have the loss payee's rights of recovery.

ADDITIONAL COVERAGES

AGREEMENT: WE WILL PROVIDE THE INSURANCE DESCRIBED IN EACH OF THE FOLLOWING ADDITIONAL COVERAGES ONLY IF INDICATED IN THE DECLARATIONS.

PROPERTY DAMAGE UNINSURED MOTORISTS COVERAGE

INSURING AGREEMENT

- A. We will pay damages which you are legally entitled to recover from the owner or operator of an **uninsured motor vehicle** because of **property damage** caused by an accident arising out of actual physical contact with **your covered auto**. The owner's or operator's liability for these damages must arise out of the ownership, maintenance or use of the **uninsured motor vehicle**.
- B. **Property damage** as used under this coverage means injury to or destruction of **your covered auto**. However, **property damage** does not include:
1. Loss of use of **your covered auto**; or
 2. Damage to property owned by you while contained in **your covered auto**.
- C. "**Uninsured motor vehicle**" means a land motor vehicle or **trailer** of any type:
1. To which no liability bond or policy affording coverage for **property damage** applies at the time of the accident.
 2. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident, but its limit for property damage liability is less than the minimum limit for property damage liability specified by the Colorado financial responsibility law.
 3. Which is a hit-and-run vehicle whose operator or owner cannot be identified and which hits **your covered auto**.
 4. To which a liability bond or policy affording coverage for **property damage** applies at the time of the accident but the bonding or insuring company:
 - a. denies coverage; or
 - b. is or becomes insolvent.

However, "**uninsured motor vehicle**" does not include any vehicle or equipment:

1. Owned by or furnished or available for the regular use of you or any **family member**.
2. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer which is or becomes insolvent.

3. Owned by any governmental unit or agency.
4. Operated on rails or crawler treads.
5. Designed mainly for use off public roads while not on public roads.
6. While located for use as a residence or premises.

EXCLUSIONS

- A. We do not provide Uninsured Motorists Coverage for **property damage**:
1. To any motor vehicle owned by you which is not insured for this coverage under this policy. This includes a trailer of any type used with that vehicle.
 2. If you or your legal representative settles the **property damage** claim without our consent.
 3. When **your covered auto** is being used as a public or livery conveyance. This exclusion (A.3.) does not apply to a share-the-expense car pool.
 4. When **your covered auto** is being used by an **insured** without a reasonable belief that that **insured** has permission to do so.
 5. To any motor vehicle owned by you for which you have purchased Collision Coverage under this policy or any other policy.
- B. This coverage shall not apply directly or indirectly to benefit any insurer of the property.
- C. We do not provide Property Damage Uninsured Motorists Coverage for **punitive or exemplary damages**.

LIMIT OF LIABILITY

- A. Our limit of liability will be the lesser of:
1. The **actual cash value** of **your covered auto**; or
 2. The amount necessary to repair or replace **your covered auto**.

This is the most we will pay, regardless of the number of:

1. Claims made;
2. Vehicles or premiums shown in the Declarations; or
3. Vehicles involved in the accident.

B. As used in this coverage "**actual cash value**" means the amount required to replace **your covered auto** at the time of loss, less all sums reflecting:

1. **Depreciation.** As used in this coverage, "**depreciation**" means the decrease in value of **your covered auto** resulting from its use, age, wear and tear, or obsolescence; and
2. The physical condition of **your covered auto**.

C. We will not make a duplicate payment under this coverage for any element of loss for which payment has been made by or on behalf of persons or organizations who may be legally responsible.

Any amounts otherwise payable for damages under this coverage shall be reduced by the amount of the deductible applicable to **your covered auto**, if any, indicated in the Declarations for this coverage.

OTHER INSURANCE

If there is other applicable similar insurance, we will pay only our share of the loss. Our share is the proportion that our limit of liability bears to the total of all applicable limits.

ARBITRATION

A. If we and an **insured** do not agree:

1. Whether that **insured** is legally entitled to recover damages under this coverage; or
2. As to the amount of damages which are recoverable by that **insured**;

from the owner or operator of an **uninsured motor vehicle**, then the matter may be arbitrated. However, disputes concerning coverage under this coverage may not be arbitrated. Both parties must agree to arbitration. If so agreed, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction.

B. Each party will:

1. Pay the expenses it incurs; and
2. Bear the expenses of the third arbitrator equally.

C. Unless both parties agree otherwise, arbitration will take place in the county in which you live. Local rules of law as to procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding as to:

1. Whether you are legally entitled to recover damages; and
2. The amount of damages.

ADDITIONAL DUTIES AFTER AN ACCIDENT OR LOSS

A person seeking Property Damage Uninsured Motorists Coverage must also:

1. Promptly notify the police if a hit-and-run driver is involved.
2. Promptly send us copies of the legal papers if a suit is brought.

TOWING AND LABOR COSTS

We will pay reasonable expenses incurred each time **your covered auto** or a **non-owned auto** is disabled, for:

1. Towing to the nearest place where necessary repairs can be made during regular business hours if it will not run;
2. Towing it out if it is stuck on or next to a public street or highway;
3. Mechanical labor up to one hour at the place of its breakdown;
4. Change of tire; or
5. Delivery of gasoline, oil or loaned battery. We do not pay the cost of these items.

LOSS OF USE COVERAGE

The provisions and exclusions that apply to Part D also apply to this coverage except as modified below:

When there is a loss to any vehicle shown in the Declarations for which a specific premium charge indicates that Loss of Use is afforded, we will reimburse you for expenses you incur to rent a substitute auto.

This coverage applies only if:

1. The auto is withdrawn from use for more than 24 hours;
2. The loss is caused by **collision**, or is covered by the Comprehensive Coverage of this policy; and
3. The loss exceeds the appropriate **collision** or **comprehensive** deductible applying to the auto.

However, this coverage does not apply to losses caused by **collision** if Collision Coverage does not apply to the auto.

Our payment will be limited to that period of time reasonably required to repair or replace the auto. We will pay up to the amount per day and the maximum shown for Loss of Use in the Declarations.



LOUISIANA PERSONAL AUTO POLICY

GENERAL INSURANCE COMPANY OF AMERICA
Home Office: Safeco Plaza, Seattle, Washington 98185-0001
(A stock insurance company.)

READY REFERENCE TO YOUR AUTO POLICY

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ADDITIONAL COVERAGES

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Property Damage Uninsured Motorists Coverage

Roadside Assistance Coverage

Loss of Use Coverage

Full Safety Glass Coverage

[illegible]

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AGREEMENT

In return for your payment of all premiums, and in reliance upon the statements in the application we agree to insure you subject to the terms, conditions and limitations of this policy. We will insure you for the coverages and limits shown on the Declarations. Your policy consists of the policy contract, Declarations and endorsements applicable to the policy.

DEFINITIONS

- A. Throughout this policy, "you" and "your" refer to:
1. The "named insured" shown in the Declarations; or
 2. The spouse if a resident of the same household;
- B. "We," "us" and "our" refer to the Company, as shown on the Declarations providing this insurance.
- C. For purposes of this policy, a private passenger auto shall be deemed to be owned by a person if leased:
1. Under a written agreement to that person; and
 2. For a continuous period of at least six months.
- D. Throughout the policy, "**minimum limits**" refers to the following limits of liability required by Louisiana law to be provided under a policy of automobile liability insurance:
1. \$10,000 for each person, subject to \$20,000 for each accident, with respect to **bodily injury**;
 2. \$10,000 for each accident with respect to **property damage**.
- Other words and phrases are defined. They are in bold type when used.
- E. "**Bodily injury**" means bodily harm, sickness or disease, including death that results.
- F. "**Business**" includes trade, profession or occupation.
- G. "**Family member**" means a person related to you by blood, marriage or adoption who is a resident of your household. This includes a ward or foster child who is a resident of your household.
- H. "**Fungi**" means any type or form of fungus, including yeast, mold or mildew, blight or mushroom and any mycotoxins, spore, scents or other substances, products or byproducts produced, released by or arising out of **fungi**, including growth, proliferation or spread of **fungi** or the current or past presence of **fungi**. However, this definition does not include any **fungi** intended by the **insured** for consumption.
- I. "**Occupying**" means in; upon; or getting in, on, out or off.
- J. "**Property damage**" means physical injury or destruction of tangible property including loss of use.
- K. "**Punitive or exemplary damages**" include damages which are awarded to punish or deter wrongful conduct, to set an example, to fine, penalize or impose a statutory penalty, and damages which are awarded for any purpose other than as compensatory damages for **bodily injury** or **property damage**.
- L. "**Trailer**" means a vehicle designed to be pulled by a:
1. Private passenger auto; or
 2. Pickup, van or motorhome.
- It also means a recreational camping vehicle, a farm wagon or farm implement while towed by a vehicle listed in L.1. or L.2. above.
- M. "**Your covered auto**" means:
1. Any vehicle shown in the Declarations.
 2. a. Any newly acquired vehicle, whether operational or not, on the date you become the owner, subject to conditions for **Newly Acquired Replacement Vehicle** and **Newly Acquired Additional Vehicle** under M.2.b. below. Any newly acquired vehicle must be of the following types:
 - (1) a private passenger auto;
 - (2) a pickup or van that:
 - (a) has a Gross Vehicle Weight Rating of 12,000 lbs or less; and
 - (b) is not used for the delivery or transportation of goods and materials unless such use is:
 - i. incidental to your **business** of installing, maintaining or repairing furnishings or equipment; or

- ii. for farming or ranching; or
- (3) a motorhome or trailer.
- b. A newly acquired vehicle is subject to the following conditions:

- (1) **Newly Acquired Replacement Vehicle.** If the vehicle you acquire replaces one shown in the Declarations, the replacement vehicle will have the same coverage as the vehicle it replaced, other than Part D — Coverage for Damage to Your Auto. This provision applies only if there is no other insurance policy that provides coverage for that replacement vehicle.

Part D — Coverage for Damage to Your Auto shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition, only to the extent Part D — Coverage for Damage to Your Auto applied to the vehicle being replaced. You must notify us within thirty (30) days after you acquire the replacement vehicle for Part D — Coverage for Damage to Your Auto to continue.

- (2) **Newly Acquired Additional Vehicle.** For any newly acquired vehicle that is in addition to any shown in the Declarations coverage shall apply for the first thirty (30) days after you acquire the vehicle, including the date of acquisition. Coverage shall be the broadest coverage we provide for any vehicle shown in the Declarations. This coverage applies only if:
 - (a) you acquire the additional vehicle during the policy period shown on the Declarations; and
 - (b) there is no other insurance policy that provides coverage for the additional vehicle.

If you wish to add or continue coverage you must ask us to insure the additional vehicle within thirty (30) days after you acquire the additional vehicle. This thirty (30) days of coverage includes the day you acquire the vehicle.

- (3) Coverage for a newly acquired vehicle begins on the date that you acquire the vehicle. However, if the Declarations does not indicate that Collision Coverage applies to at least one vehicle, you must ask us to insure the newly acquired vehicle within four (4) days after you acquire it. If a loss occurs during the four (4) days after you acquire the vehicle but before you asked us to insure the newly acquired vehicle, a \$500 collision deductible will apply.
- (4) Comprehensive Coverage for a newly acquired vehicle begins on the date that you acquire the vehicle. However, if the Declarations does not indicate that Comprehensive Coverage applies to at least one vehicle, you must ask us to insure the newly acquired vehicle within four (4) days after you acquire it. If a loss occurs during the four (4) days after you acquire the vehicle but before you asked us to insure the newly acquired vehicle, a \$500 comprehensive deductible will apply.

- 3. Any auto or trailer you do not own while used as a temporary substitute for any other vehicle described in this definition which is out of normal use because of its:

- a. breakdown;
- b. repair;
- c. servicing;
- d. loss; or
- e. destruction.

This provision (M.3.) does not apply to Coverage for Damage to Your Auto.

PART A — LIABILITY COVERAGE

INSURING AGREEMENT

- A. We will pay damages for **bodily injury** or **property damage** for which any insured

becomes legally responsible because of an auto accident. We will settle or defend, as we consider appropriate, any claim or suit asking for

these damages. In addition to our limit of liability, we will pay all defense costs we incur. Our duty to settle or defend ends when our limit of liability for this coverage has been exhausted by payments of judgments or settlements.

B. "Insured" as used in this Part means:

1. You or any **family member** for the ownership, maintenance or use of any auto or trailer.
2. Any person using **your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.
3. For **your covered auto**, any person or organization but only with respect to legal responsibility for acts or omissions of a person for whom coverage is afforded under **B.1.** and **B.2.** above.
4. For any auto or **trailer**, other than **your covered auto**, any other person or organization but only with respect to legal responsibility for acts or omissions of you or any **family member** for whom coverage is afforded under this Part. This provision (**B.4.**) applies only if the person or organization does not own or hire the auto or trailer.

INTEREST ON JUDGMENTS

We will pay interest on judgments subject to all of the following:

1. Any notice, demand, summons, judgment, or any process has been promptly forwarded to us as required by the policy conditions.
2. We accept the defense or agree to the judgment.
3. We will pay the interest on that part of the judgment that is covered and that does not exceed our applicable limit of liability.
4. We will pay interest that accrues after entry of judgment and before we pay, tender, or deposit in court.
5. If we appeal the judgment, we will pay interest on the entire judgment.
6. Post-judgment interest is in addition to the applicable limit of liability.
7. We will pay prejudgment interest awarded against the **insured** on that part of the judgment we pay. If we make an offer to pay our limit of liability, we will not pay any prejudgment interest based on that period of time after the offer.

SUPPLEMENTARY PAYMENTS

We will pay on behalf of an **insured**:

1. Up to \$1,000 for the cost of bail bonds required because of an accident, including related traffic law violations. The accident must result in **bodily injury** or **property damage** covered under this policy. We are not obligated to apply for or furnish such bonds.
2. Premiums on appeal bonds and bonds to release attachments in any suit we defend.
3. Up to \$250 a day for loss of earnings, but not other income, because of attendance at hearings or trials at our request.
4. Other reasonable expenses incurred at our request.
5. Pay all expenses incurred by an **insured** for first aid to others at the time of the accident, not to exceed \$10,000.

EXCLUSIONS

A. We do not provide Liability Coverage for:

1. Any **insured** who intentionally causes **bodily injury** or **property damage** even if such **bodily injury** or **property damage** is of a different kind or degree than expected or intended, or such **bodily injury** or **property damage** is sustained by a different person or persons than expected or intended.
2. **Property damage** to property owned or being transported by any **insured**.
3. **Property damage** to property:
 - a. rented to;
 - b. used by; or
 - c. in the care of;
 any **insured**.
 This exclusion (**A.3.**) does not apply to **property damage** to a residence or private garage.
4. **Bodily injury** to an employee of any **insured** during the course of employment. This exclusion (**A.4.**) does not apply to **bodily injury** to a domestic employee unless workers compensation benefits are required or available for that domestic employee.
5. Any **insured's** liability arising out of the ownership or operation of a vehicle while it is being used as a public or livery conveyance. This exclusion (**A.5.**) does not apply to a share-the-expense car pool.
6. Any **insured** using any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation.

This exclusion does not apply to delivery that is incidental to an **insured's business**.

7. a. Any **insured** while employed or otherwise engaged in the **business** of:
 - (1) selling;
 - (2) repairing;
 - (3) servicing;
 - (4) storing; or
 - (5) parking;

vehicles designed for use mainly on public highways. This exclusion (A.7.) only applies to the extent that the limits of liability required by the Louisiana Motor Vehicle Safety Responsibility Law. This includes road testing and delivery.
- b. This exclusion (A.7.) does not apply to the ownership, maintenance or use of **your covered auto** by:
 - (1) you;
 - (2) any **family member**; or
 - (3) any partner, agent or employee of you or any **family member**.
8. Any **insured** maintaining or using any vehicle while that **insured** is employed or otherwise engaged in any **business** (other than farming or ranching) not described in Exclusions A.6. or A.7. This exclusion (A.8.) does not apply to the maintenance or use of a:
 - a. private passenger auto;
 - b. pickup, motorhome or van that:
 - (1) you own; or
 - (2) you do not own while used as a temporary substitute for **your covered auto** which is out of normal use because of its:
 - (a) breakdown;
 - (b) repair;
 - (c) servicing;
 - (d) loss; or
 - (e) destruction; or
 - c. **trailer** used with a vehicle described in A.8.a. or A.8.b. above.
9. Any **insured** using a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However, this exclusion does not apply to a **family member** using **your covered auto**.

10. a. **Bodily injury or property damage** for which any **insured**:
 - (1) is an **insured** under a nuclear energy liability policy; or
 - (2) would be an **insured** under a nuclear energy liability policy but for its termination upon exhaustion of its limit of liability.
- b. A nuclear energy liability policy is a policy issued by any of the following or their successors:
 - (1) Nuclear Energy Liability Insurance Association;
 - (2) Mutual Atomic Energy Liability Underwriters; or
 - (3) Nuclear Insurance Association of Canada.
11. **Punitive or exemplary damages** awarded against any **insured**.
12. **Bodily injury or property damage** arising out of the use of **your covered auto** while leased or rented to others. However, this exclusion does not apply to the operation of **your covered auto** by you or a **family member**.
13. **Bodily injury or property damage** arising out of a criminal act or omission of the **insured**. This exclusion applies regardless of whether that **insured** is actually charged with, or convicted of, a crime. However, this exclusion (13.) does not apply to traffic violations.
- B. We do not provide Liability Coverage for the ownership, maintenance or use of:
 1. a. Any vehicle which:
 - (1) has fewer than four wheels;
 - (2) is designed mainly for use off public roads; or
 - (3) is a vehicle not licensed for use on public roads.
 - b. This exclusion does not apply:
 - (1) while such vehicle is being used by an **insured** in a medical emergency; or
 - (2) to any **trailer**.
2. Any vehicle, other than **your covered auto**, which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.

3. a. Any vehicle, other than **your covered auto**, which is:
 - (1) owned by any **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of any **family member** or other person who resides with you.
- b. However, this exclusion (B.3.) does not apply to you while you are maintaining or **occupying** any vehicle which is:
 - (1) owned by a **family member** or other person who resides with you; or
 - (2) furnished or available for the regular use of a **family member** or other person who resides with you.
4. Any vehicle while it is:
 - a. operating on a surface designed or used for racing, except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.

LIMIT OF LIABILITY

- A. If the Declarations indicates "per person"/"per accident" coverage applies:

The limit of liability as shown in the Declarations for "each person" for Bodily Injury Liability is our maximum limit of liability for all damages, including damages for care and loss of services (including loss of consortium and wrongful death), arising out of **bodily injury** sustained by any one person in any one auto accident.

Subject to this limit for "each person," the limit of liability shown in the Declarations for "each accident" for Bodily Injury Liability is our maximum limit of liability for all damages for **bodily injury** resulting from any one auto accident.

The limit of liability shown in the Declarations for each accident for Property Damage Liability is

our maximum limit of liability for all **property damage** resulting from any one accident.

This is the most we will pay regardless of the number of:

1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the auto accident.
- B. If the Declarations indicate **Combined Single Limit** applies, Paragraph A. above is replaced by the following:

The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for all damages resulting from any one auto accident. This is the most we will pay regardless of the number of:

1. **Insureds**;
2. Claims made;
3. Vehicles or premiums shown in the Declarations; or
4. Vehicles involved in the auto accident.

We will apply the limit of liability to provide any separate **minimum limits** required by law for **bodily injury** and **property damage** liability. However, this provision will not change our total limit of liability.

- C. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part B or Part C of this policy.
- D. A vehicle and attached **trailer** are considered one vehicle. Therefore the limits of liability will not be increased for an accident involving a vehicle which has an attached **trailer**.

OUT OF STATE COVERAGE

If an auto accident to which this policy applies occurs in any state or province other than the one in which **your covered auto** is principally garaged, we will interpret your policy for that accident as follows:

- A. If the state or province has:
 1. A financial responsibility or similar law specifying limits of liability for **bodily injury** or **property damage** higher than the limit shown in the Declarations, your policy will provide the higher specified limit.
 2. A compulsory insurance or similar law requiring a nonresident to maintain insurance whenever the nonresident uses a vehicle in that state or province, your policy will provide at least the required **minimum limits** and types of coverage.

- B. No one will be entitled to duplicate payments for the same elements of loss.

FINANCIAL RESPONSIBILITY

When this policy is certified as future proof of financial responsibility, this policy shall comply with the law to the extent required. The **insured** must reimburse us if we make a payment that we would not have made if this policy was not certified as proof of financial responsibility.

OTHER INSURANCE

- A. If there is other applicable liability insurance available any insurance we provide shall be excess over any other applicable liability insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible liability insurance.
- B. We will provide primary insurance for a vehicle you do not own if a person engaged in the business of selling, repairing, or servicing motor

vehicles provides a loaner vehicle to you or a **family member**:

1. For temporary use while **your covered auto** is being serviced or repaired; or
 2. To demonstrate or test drive the vehicle.
- C. If the vehicle you do not own is a rental private motor vehicle, the following priorities of recovery apply:

FIRST PRIORITY Any source of recovery purchased by you or any **family member** from the owner of the rental motor vehicle.

SECOND PRIORITY Any policy affording Liability Coverage to the **insured** as a named insured or **family member**.

PART B — MEDICAL PAYMENTS COVERAGE

INSURING AGREEMENT

- A. We will pay **usual and customary charges** incurred for reasonable and necessary medical and funeral expenses because of **bodily injury**:

1. Caused by accident; and
2. Sustained by an **insured**.

We will pay only those expenses incurred for services rendered within three (3) years from the date of the accident. However, if the **bodily injury** is diagnosed within 1 year of the date of the accident and reported to us within 3 years of the date of the accident, we will not limit the time period in which we will pay reasonable expenses incurred for necessary medical and funeral services resulting from such **bodily injury**.

We have a right to review medical expenses and services to determine if they are reasonable and necessary for the **bodily injury** sustained.

- B. "**Insured**" as used in this Part means:

1. You or any **family member**:
 - a. while **occupying**; or
 - b. as a pedestrian or bicyclist when struck by;

a motor vehicle designed for use mainly on public roads or a **trailer** of any type.
2. Any other person while **occupying your covered auto** with your express or implied permission. The actual use must be within the scope of that permission.

3. Any other person while **occupying**, as a guest, an automobile not owned by you or a **family member**, while being operated by you or a **family member**.

- C. "**Usual and customary charges**" as used in this Part mean:

Any amount which we determine represents a customary charge for services in the geographic area in which the service is rendered. To determine whether a charge is customary, we may consider outside sources of information of our choice, including, but not limited to:

1. Licensed, certified or registered health care professionals;
2. Medical examinations;
3. Medical file reviews;
4. Medical bill review services; or
5. Computerized data bases.

The **insured** shall not be responsible for payment of any reduction applied by us. If a medical provider disputes an amount paid by us, we will be responsible for resolving such disputes.

EXCLUSIONS

We do not provide Medical Payments Coverage for any **insured** for **bodily injury**:

1. Sustained while **occupying** any motorized vehicle having fewer than four wheels.

2. Sustained while **occupying your covered auto** when it is being used as a public or livery conveyance. This exclusion (2.) does not apply to a share-the-expense car pool.
3. Sustained while **occupying** any vehicle while employed in the pickup or delivery of newspapers or magazines, food or any products for the purpose of compensation. This exclusion does not apply to delivery that is incidental to an **insured's business**.
4. Sustained while **occupying** any vehicle located for use as a residence or premises.
5. Occurring during the course of employment if workers compensation benefits are required or available for the **bodily injury**.
6. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by you; or
 - b. furnished or available for your regular use.
7. Sustained while **occupying**, or when struck by, any vehicle (other than **your covered auto**) which is:
 - a. owned by any **family member** or other person who resides with you; or
 - b. furnished or available for the regular use of any **family member** or other person who resides with you.

However, this exclusion (7.) does not apply to you.
8. Sustained while **occupying** a vehicle without the express or implied permission of the owner or other person having lawful possession, or using a vehicle beyond the scope of the permission granted. However this exclusion does not apply to a **family member** using **your covered auto**.
9. Sustained while **occupying** a vehicle when it is being used in the **business** of an **insured**. This exclusion (9.) does not apply to **bodily injury** sustained while **occupying** a:
 - a. private passenger auto;
 - b. pickup, van or motorhome that you own; or
 - c. **trailer** used with a vehicle described in a. or b. above.
10. Caused by or as a consequence of:
 - a. discharge of a nuclear weapon (even if accidental);
 - b. war (declared or undeclared);
 - c. civil war;
 - d. insurrection; or
 - e. rebellion or revolution.
11. From or as a consequence of the following, whether controlled or uncontrolled or however caused:
 - a. nuclear reaction;
 - b. radiation; or
 - c. radioactive contamination.
12. Sustained while **occupying** any vehicle while it is:
 - a. operating on a surface designed or used for racing except for an organized and controlled event that is not a speed, performance, stunt or demolition event;
 - b. participating in a high performance driving or racing instruction course or school; or
 - c. preparing for, practicing for, used in, or competing in any prearranged or organized:
 - (1) race activity; or
 - (2) speed, performance, stunt, or demolition contest or exhibition.
13. Caused by the actual, alleged or threatened presence, growth, proliferation or spread of **fungi** or bacteria.

LIMIT OF LIABILITY

- A. The limit of liability shown in the Declarations for this coverage is our maximum limit of liability for each person injured in any one accident. This is the most we will pay regardless of the number of:
 1. **Insureds**;
 2. Claims made;
 3. Vehicles or premiums shown in the Declarations; or
 4. Vehicles involved in the accident.
- B. No one will be entitled to receive duplicate payments for the same elements of loss under this coverage and Part **A** or Part **C** of this policy.

OTHER INSURANCE

If there is other applicable auto medical payments insurance available any insurance we provide shall be excess over any other applicable auto medical payments insurance. If more than one policy applies on an excess basis, we will bear our proportionate share with other collectible auto medical payments insurance.